

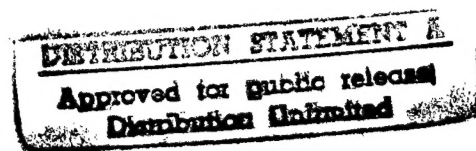
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11 June 1984

China Report

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS



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11 June 1984

CHINA REPORT

POLITICAL, SOCIOLOGICAL AND MILITARY AFFAIRS

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GENERAL

TENSE, SUBTLE U.S.-SOVIET RELATIONSHIP

Beijing RENMIN RIBAO in Chinese 2 Feb 84 p 7

[Article by Zhang Dezhen [1728 1795 4176]]

[Text] As the new year of 1984 began, certain quite subtle tendencies worthy of notice appeared in the U.S.-Soviet relationship which had been bogged down in a deadlock.

During the past half-month, American leaders appeared one after the other to launch a "smile diplomacy" toward the Soviet Union. On 16 January, President Reagan, who has been known as a hardliner toward the Soviet Union, made a speech with a moderate tone on U.S.-Soviet relations. Aside from reiterating the principle of "peace through strength" in this speech, he also indicated that he wanted to conduct "a serious and constructive dialogue" with the Soviet Union in order to establish "more cooperative and understanding relationships" and make 1984 "a year in which the opportunity for peace may be fully realized." Before this, Secretary of State Schultz declared to West European journalists that the United States was prepared for a "thaw" with the Soviet Union. On 18 January and at the initiative of the United States, the foreign ministers of the United States and the USSR took the opportunity of their attendance at the European Disarmament Conference in Stockholm to hold talks and exchange views on several important questions. Simultaneous with this, high-ranking U.S. Government officials frequently spread the word that they "would not rule out" the possibility of a U.S.-Soviet summit conference being held this year.

The Soviet response to the olive branches extended one after the other by Washington was extremely cold. Soviet newspapers in article after article attacked Reagan furiously, describing him as "a bellicose hawk decked out in dove feathers" and "deceiving" the people of the world. After Reagan's speech was made, Soviet newspapers immediately issued commentaries, criticizing this speech as a "propaganda exercise" which "played with words" with the purpose of "misleading world opinion." At the Stockholm European Disarmament Conference, Gromyko made a speech couched in harsh terms attacking U.S. Government policies and reiterating that the Soviet Union would only be prepared to resume nuclear weapons discussions on the condition that the Western nations return to the situation prior to deployment in Europe of American intermediate range missiles. On 24 January Soviet leader Andropov defined his attitude formally by replying to a PRAVDA newsman's questions to again accuse Reagan

of not proposing any new recommendations in his speech on U.S.-Soviet relations. He indicated that "the Soviet Union would definitely not participate in talks merely for the sake of talks," and stated that the United States and NATO must "return to the status prior to the beginning of the deployment of the Pershing II and cruise missiles." At the U.S.-Soviet foreign ministers talks, which were described by the Western press as an "icy dialogue," no progress was made on important issues aside from reaching an agreement to resume the Central European disarmament talks in Vienna.

Concerning the question of breaking the deadlock in U.S.-Soviet relations, at least superficially speaking, Washington is now hot while Moscow is cold. What is this all about?

The White House's eagerness for a U.S.-Soviet dialogue does not necessarily mean that there has been any change in U.S. policy toward the USSR because the United States basically does not plan to make any concessions on major issues in U.S.-Soviet relations. In the words of an American newspaper, current U.S. conduct "does not constitute a policy change, rather it is a change in rhetoric." This may be attributed to domestic needs. This is a general election year in the United States. Along with the continuing recovery of the American economy, Reagan has sufficient capital concerning domestic issues and is rather complacent, but foreign policy is facing major challenges. Public opinion polls show that the American public is increasingly concerned and resentful about the overall tenseness in current U.S.-Soviet relations and about the rapid acceleration of military preparedness. Democratic Party people have seized upon this subject by making a big issue of attacking Reagan for having "carried out the most destructive foreign policy in recent history for the past 3 years." Taking a positive posture regarding U.S.-Soviet relations is obviously helping Reagan alter his image and win more votes.

This kind of conciliatory posture is also for the benefit of West European countries. Although the West European countries did support the United States in foiling the Soviet Union from blocking deployment of intermediate range missiles in Europe on schedule, the West European countries all face great pressure domestically from the opposition parties and mass peace movements. Therefore, these countries are urgently requesting the United States and the USSR to resume as soon as possible the suspended disarmament discussions and relax the current tense situation in Europe. Along with increasing hostility between the United States and the USSR, relations between the United States and West Europe have become more complex. The Reagan administration's initiative in negotiating is for the purpose of gaining support from the nations and peoples of Western Europe.

This peace offensive also reflects the dual tactics of the Reagan government toward the USSR. As early as 2 years ago, President Reagan proposed that there should be "a balanced combination of strength and discussions" vis-a-vis the USSR. When Schultz reiterated this policy in an appearance before the Senate Foreign Relations Committee last year, he also particularly emphasized that people should not doubt or influence implementation of this policy just because U.S.-Soviet relations are sometimes good and sometimes bad. In a speech on 16 January this year, Reagan even more clearly pointed out that

"realism, strength and dialogue" were the principles and foundation of U.S. policy toward the USSR and constitute a long-term policy." It may be seen from this that the U.S. call to carry out a dialogue with the USSR is nothing but another manifestation of the fierce struggle between the United States and the USSR.

As for the Soviet Union, the cold response to Reagan's "smile diplomacy" is not strange. In trials of strength between the two superpowers last year, the United States had the upper hand while handling intermediate range missiles in Europe and the situation in Grenada. Under this kind of situation, if the USSR were to agree to resume nuclear discussions while the United States was continuing to deploy missiles, it would actually mean admitting defeat in the face of Reagan's tough policy. This obviously is difficult for the Soviet Union to take. The USSR's cold attitude toward U.S.-Soviet talks is designed to exert pressure on the United States and force the United States to make substantive concessions thereby saving face. Even more important to the Soviets is that by so doing they may fragment the West and drive a wedge in U.S.-European relations. Such being the case, some nations in Western Europe are presently urging that the West relax its tense relations with the USSR, and the uncompromising stand of the USSR is undoubtedly increasing contradictions between the United States and Europe concerning attitudes toward the USSR. As the American FINANCIAL TIMES stated: now the USSR "wants by all means to aggravate political controversy in Western Europe and the tense relationship between the two shores of the Atlantic" and profit in so doing. Of course, this kind of unconciliatory attitude of the USSR also takes into account the disinclination to give Reagan any election capital and the desire to exacerbate differences between Reagan and the Democratic Party and those voters who do not support Reagan's policy toward the USSR; thus forcing Reagan to change policy.

Both the warmth in Washington and the coolness in Moscow, are nothing more than struggle methods between the two countries. Both sides maintain their original stands, and neither is willing to retreat one step on questions of principle. These are struggle methods and each side has its tactics, but both sides should not refuse to budge from their original positions. Although nothing much has emerged from the foreign ministers' discussions or the resumed Central European Disarmament talks in Vienna, the door has not been closed entirely which reveals a ray of hope for relaxing the frozen U.S.-Soviet relationship. Notwithstanding absorbing the series of Soviet rebuffs, the United States has still not withdrawn the olive branch, and Andropov in his 24 January speech, played ambiguous tunes in his stance toward resumption of the nuclear weapons discussions and did not rule out altogether a U.S.-Soviet dialogue. These sharply contrasting lines and fluctuating attitudes in a lukewarm relationship augur that there will still be fierce bargaining on questions revolving around resumption of the nuclear discussions between the United States and the USSR.

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NORTHEAST ASIA

REPORTAGE ON HU YAOBANG'S VISIT TO DPRK

Departs Beijing 3 May

OW030450 Beijing Domestic Service in Mandarin 0400 GMT 3 May 84

[Text] Hu Yaobang, general secretary of the CPC Central Committee, departed Beijing this morning aboard a special train for an official friendly visit to the Democratic People's Republic of Korea at the invitation of Kim Il-song, general secretary of the Central Committee of the Korean Workers' Party.

Yang Shangkun, member of the Political Bureau of the CPC Central Committee and vice chairman of the Central Military Commission, is accompanying him.

Also accompanying him are Qian Liren, head of the International Liaison Department of the CPC Central Committee; Xu Xin, alternate member of the CPC Central Committee and deputy chief of general staff of the Chinese PLA; and Zong Kewen, Chinese ambassador to Korea.

Seeing the general secretary off at the station today were Zhao Ziyang, member of the Standing Committee of the Political Bureau of the CPC Central Committee and premier of the State Council; Xi Zhongxun, member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC Central Committee; Wang Zhen, member of the Political Bureau of the CPC Central Committee; Yang Dezhi, member of the Political Bureau of the CPC Central Committee and chief of general staff of the Chinese PLA; Yu Qiuli, member of the Political Bureau of the CPC Central Committee and member of the Secretariat of the CPC Central Committee; Ni Zhifu, member of the Political Bureau of the CPC Central Committee and chairman of the All-China Federation of Trade Unions; Chen Pixian, member of the Secretariat of the CPC Central Committee and vice chairman of the NPC Standing Committee; Hu Qili, member of the Secretariat of the CPC Central Committee; Qiao Shi, alternate member of the Secretariat of the CPC Central Committee and head of the Organization Department of the CPC Central Committee; Ji Pengfei, member of the Standing Committee of the Advisory Commission of the CPC Central Committee and state councillor; Wu Xueqian, member of the CPC Central Committee, state councillor, and minister of foreign affairs; Wang Zhaoguo, member of the CPC Central Committee, director of the General Office of the CPC Central Committee, and first secretary of the CYL Central Committee;

Yang Dezhong, member of the CPC Central Committee and first deputy director of the General Office of the CPC Central Committee; Zhang Guoying, vice chairman of the All-China Women's Federation; Jiang Guanghua, deputy head of the International Liaison Department of the CPC Central Committee; and others.

This is Comrade Hu Yaobang's second visit to Korea. He and Comrade Deng Xiaoping visited Korea in 1982, but the visit was not publicized.

Hu Yaobang said not long ago that during his current visit to Korea, in addition to learning from the Korean people, he would concentrate on exchanging opinions with Comrade Kim Il-song on the current international situation in general and the situation in Asia and the Korean Peninsula in particular. It is generally felt that his current visit to Korea will write a brilliant chapter in the history of Sino-Korean friendship and will have far-reaching significance toward strengthening Sino-Korean friendship.

At the station today Comrade Hu Yaobang said to (Kim Chong-kyu), charge d'affaires ad interim of the Korean Embassy in China who was on hand at the station to see him off, that he was glad to be invited to visit Korea for the second time.

Shortly before he stepped onto the train, Comrade Hu Yaobang shook hands with those present to see him off. Two young people then presented bouquets to Comrades Hu Yaobang and Yang Shangkun.

When the special train moved slowly away, Comrades Zhao Ziyang and Xi Zhongxun and others waved to Comrade Hu Yaobang, wishing him success on the visit.

First Day in DPRK

HK050834 Beijing RENMIN RIBAO in Chinese 5 May 84 p 6

["Newsletter From Korea" by correspondents Liu Zhengxue [0491 2973 1331] and Feng Zhiyuan [7458 1807 6678]: "First Day of the Visit to the Land of Beauty"]

[Text] At 1015 on 4 May, the special train of Hu Yaobang, the general secretary of the CPC Central Committee, slowly crossed the bridge of Yalu Jiang amid sounds of a steam whistle and the rumble of the moving wheels. The river water under the bridge was surging, and nearby high mountains towered into the clouds. The sister cities Dandong and Sinuiju are facing each other across the river amid mild spring breezes. It took only 2 minutes and 15 seconds for the train to cross the bridge. It is true that China and Korea are neighboring countries linked with common mountains and rivers, and are as closely related as lips and teeth.

At the railway station of Sinuiju, Comrade Hu Yaobang and his party were warmly welcomed. At the railway platform leaders of North Pyongan Province and Sinuiju City lined up on a red carpet to applaud and expressed their regards. Several thousand young women in Chinese and Korean national

costumes continuously performed folk dance of the two countries accompanied by Chinese and Korean music. The masses shouted in Chinese: "Welcome, welcome Hu Yaobang!" Hyon Chun-kun, member of the Central Committee of the Korean Workers' Party, and first deputy director of the International Department, and Pak Chung-kuk, vice minister of the Ministry of the People's Armed Forces, who came especially from Pyongyang together ascended the train to relay kind regards from Comrade Kim Il-song and Comrade Kim Chong-il to Comrade Hu Yaobang and Comrade Yang Shangkun. Comrade Hu Yaobang said happily: I come to visit Korea with profound sentiments of friendship of the CPC and the Chinese people. I believe that my visit will forcefully promote and strengthen the friendship between China and Korea.

In the VIP room, Comrade Hu Yaobang warmly praised Sinuiju and Dandong as the most friendly cities of China and Korea on the frontline. He told leading comrades of North Pyongan Province and Sinuiju: You have done well in developing the friendship between the peoples of the two countries. When I stayed in Dandong just now, I asked leading comrades of the city to learn well from you.

On his way to Pyongyang, Comrade Hu Yaobang was also warmly welcomed at the station of Sinanju, just as he was in Sinuiju.

At 1600, the special train arrived on time at the Pyongyang railway station. Amid cheers of warm welcome of the masses, Comrade Hu Yaobang, beaming with satisfaction, descended from the train, and walked with vigorous stride to warmly shake hands with Comrade Kim Il-song. Comrade Hu Yaobang extended greetings to Comrade Kim Il-song and said: "Are you in excellent health?" Comrade Kim Il-song nodded his head to show that he was in excellent health. After that, the two leaders warmly embraced each other. Television cameras and photographers recorded this historical picture.

After the welcoming ceremony, Comrade Kim Il-song accompanied Comrade Hu Yaobang to the guesthouse, riding in an open car. On their way a sea of people lined the streets; some 500,000 citizens of Pyongyang, wearing festival garb and waving colored flags, enthusiastically roared a welcome for Comrade Hu Yaobang along the streets lined with tall buildings and on the broad squares. Thousands of people performed a dance of welcome, and many women continually wiped away tears of emotion. Comrade Hu Yaobang, who was moved, waved his greetings to the masses. Comrade Hu Yaobang, together with Comrade Deng Xiaoping, visited Korea in April of the year before last. This current visit is his official visit to Korea following his appointment as general secretary of the CPC Central Committee. [Sentence as published] The fine and solemn welcome given to him by the leaders and people of this fraternal neighbor fully expressed the profound affection of the Korean people for the CPC and the Chinese people.

On arriving at the state guesthouse, Comrade Hu Yaobang said: "I am very apologetic that so many came to welcome me today." Comrade Kim Il-song happily said to him in Korean: Several hundred thousand citizens of Pyongyang went on the streets today, first to welcome you, second to show Korean-Chinese unity, and third to teach the masses always to preserve Korean-Chinese unity.

At 1850, Comrade Hu Yaobang went to the presidential palace to call on Comrade Kim Il-song. Comrade Kim Il-song extended warm regards to Comrade Hu Yaobang, and said he would go with him to visit Wonsan and Hamhung, to see the places visited in the past by Comrades Zhou Enlai, Chen Yi, and Su Yu. Comrade Hu Yaobang replied: "That will be too hard and tiring for you." Comrade Kim Il-song said with sincerity: "You accompany me when I visit China, so I will accompany you."

After the courtesy call, Comrade Kim Il-song gave a grand banquet for Comrade Hu Yaobang in the dining hall of the presidential palace. During the banquet, Comrade Kim Il-song and Hu Yaobang made speeches in which they both reviewed the longstanding fraternal unity and friendship of the Chinese and Korean parties and peoples and praised the success each had achieved in socialist construction. Speaking on the situation on the Korean Peninsula, Comrade Hu Yaobang reiterated the consistent stand of the Chinese party and government, and resolutely supported the independence and peaceful reunification advocated by Comrade Kim Il-song and the Workers' Party of Korea, together with the confederation system and the tripartite talks they had proposed to this end. Comrade Hu Yaobang said: "I firmly believe that no matter how many difficulties and obstacles there may be on the way ahead, the people of Korea will certainly be able to attain independence and peaceful reunification and thus lay down a new starting point and open a new era in Korean history."

First-Round Talks

OW051302 Beijing XINHUA Domestic Service in Chinese 0843 GMT 5 May 84

[Text] Pyongyang, 5 May (XINHUA)--Hu Yaobang, secretary general of the CPC Central Committee, held his first round of talks with Kim Il-song, secretary general of the Workers' Party of Korea [WPK] Central Committee, here this morning.

In a very cordial, sincere and friendly atmosphere and in a comradely manner, both sides briefed each other on recent developments and exchanged views on international issues of common interest. The talks lasted for nearly 3 hours.

As the talks began, Kim Il-song once again warmly welcomed Hu Yaobang and Yang Shangkun on their visit to Korea. He said: "I am extremely happy that I am able to hold talks with you. The visits of leaders of our two countries to each other are like those of close relatives. This helps strengthen the revolution and the unity between the two countries."

According to sources, during the talks, Comrade Hu Yaobang first briefed Comrade Kim Il-song on China's economic and political situation. He said: The development of China's economy in 1983 was better than previously estimated. Industry has kept growing in the first quarter this year, registering a 12 percent increase over the same period in 1983.

He said: China is now drawing up its seventh 5-year plan, aimed at achieving a bigger growth of the economy and better economic results by 1990. He also said: In the next 2 years, China will emphasize two issues. One is to continue to implement the policy of opening to the rest of the world, while the other is to carry out reform.

With regard to the political situation, Hu Yaobang said: The situation of stability and unity has been further improved, and public order and social conduct have to a certain extent undergone changes for the better because of the efforts made to clamp down on serious economic and criminal offenses.

He said: Now, efforts are being concentrated on party rectification, which has been proceeding smoothly. A large number of young and competent cadres will be promoted to various leading posts and the "third echelon" will be built to ensure the continuity of our policies.

Hu Yaobang also had a wide-ranging exchange of views on international issues of common interest with Kim Il-song.

Hu Yaobang also briefed Kim Il-song on the recent visits to China by Japanese Prime Minister Yasuhiro Nakasone and U.S. President Ronald Reagan.

On the situation on the Korean Peninsula, Hu Yaobang said: The Chinese party and government hope to see a situation of enduring stability on that peninsula. The Chinese party, government and people fully agree with and support the policy for the reunification of Korea as a confederation by peaceful means and the proposal for holding tripartite talks among the South, the North and the United States, both advanced by Comrade Kim Il-song and the WPK.

Present at the talks from the Chinese side were Yang Shangkun, member of the Political Bureau of the CPC Central Committee and vice chairman of the Central Military Commission; Qian Liren, head of the International Liaison Department of the CPC Central Committee; Xu Xin, alternate member of the CPC Central Committee and deputy chief of the General Staff of the Chinese PLA; and Zong Kewan, Chinese ambassador to the DPRK.

Present from the Korean side were O Chin-u, member of the Presidium of the Political Bureau of the WPK Central Committee and minister of the People's Armed Forces; Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Hyon Chun-kuk, first vice director of the International Affairs Department of the WPK Central Committee; Pak Chung-kuk, vice minister of People's Armed Forces; and Sin In-ha, Korean ambassador to China.

After the talks, Hu Yaobang, in his own name, presented the four treasures for study [a writing brush, an ink stick, an ink slap and paper] and a color documentary film, "Happy Community," to Kim Il-song.

Second-Round Talks

OWO61342 Beijing XINHUA Domestic Service in Chinese 0739 GMT 6 May 84

[Text] Pyongyang, 6 May (XINHUA)--Hu Yaobang, secretary general of the CPC Central Committee, and Kim Il-song, secretary general of the Korean Workers' Party Central Committee, held a second round of talks at Pyongyang's Kumsusan assembly hall this morning. Chinese sources said that the talks lasted for 3 hours in a very sincere and cordial atmosphere.

During the talks, Comrade Kim Il-song first of all briefed Comrade Hu Yaobang on the domestic situation in Korea and on the positions and views of the Korean Workers' Party and government on the situation in the Korean Peninsula and on the reunification of the South and the North in Korea.

Kim Il-song said: The economic and political situations in Korea are very fine. The Korean Workers' Party, government, and people have registered excellent results in all fields of endeavor. They will continue to hold high the banners of the ideological, technical, and cultural revolutions to push ahead socialist construction.

Kim Il-song and Hu Yaobang also exchanged views on the situation in Asia, the Korean Peninsula in particular.

Kim Il-song reaffirmed the consistent policy of the Korean Workers' Party and government for the independent and peaceful reunification of the country. He said: The DPRK advanced in January this year a proposal for talks among the North, the South, and the United States. This proposal is helpful to the resolution of the Korean question, to easing the tension on the Korean Peninsula, and to promoting stability and peace in the Asian-Pacific region. He expressed thanks to the Chinese party, government, and people for their firm support for the reunification of Korea in the form of a confederation.

Present at the talks from the Chinese side were Yang Shangkun, Qian Liren, Xu Xin, Zong Kewen.

Present at the talks from the Korean side were O Chin-u, Kang Song-san, Hyon Chun-guk, Pak Chung-guk, and Sin In-ha.

After the talks, Comrade Kim Il-song presented to Hu Yaobang and Yang Shangkun embroideries and porcelain vases that reflect the militant friendship between the two peoples and armies of Korea and China.

Activities Among Korean People

HK070448 Beijing RENMIN RIBAO in Chinese 6 May 84 p 6

["Newsletter From Korea" by correspondents Liu Zhengxue [0491 2973 1331] and Feng Zhiyuan [7458 1807 6678]: "Together With the Masses of Pyongyang"]

[Text] It was the second day of Comrade Hu Yaobang's visit, in which he had a cordial meeting with Comrade Kim Il-song.

At 0900 on 5 May, Comrade Kim Il-song, the Korean people's beloved leader and the Chinese people's intimate friend, returned a visit to Comrade Hu Yaobang at the Hundred Flowers Garden Guesthouse where Hu stayed. The two leaders held cordial conversations in the guesthouse surrounded by fine landscape. Later, they held 3 hours of prolonged, cordial, sincere, and friendly talks.

In the afternoon, Hu and his party visited, in the company of Kim Chong-il and O Chin-u, Mangyongdae, Chilgol cooperative farm and a certain Korean People's Army (KPA) unit where they had deep-going and friendly contacts and conversations with Pyongyang people and KPA soldiers. All these have fully manifested the fraternal relations between the Chinese and Korean peoples.

Mangyongdae in May is filled with bright sunshine and many kinds of beautiful flowers. When the Chinese guests arrived at Comrade Kim Il-song's former residence, Yun Hyo-kun, director of Mangyongdae museum of historical relics, warmly shook hands with Comrade Hu Yaobang amid the chanting of welcome of a crowd of people who lined up on both sides of the road. Yun personally acted as a guide to show Comrade Hu Yaobang round the place where Comrade Kim Il-song was born and spent his childhood. Comrade Hu Yaobang and Yang Shangkun attentively looked at and inquired in detail about the desk which Comrade Kim Il-song's father Mr Kim Hyong-chik used; photographs of Comrade Kim Il-song's grandfather, grandmother and mother; and the farm tools, cooking utensils, and furniture that the family used. Hu said to Yun: "Comrade Kim Il-song is a comrade whom I revere very much." They had a picture taken in front of Comrade Kim Il-song's former residence. With a writing brush, Comrade Hu Yaobang wrote down these words: "A great national hero, and an outstanding Marxist."

Next, Comrades Hu Yaobang's and Kim Chong-il's motorcade drove to the Mangyongdae recreation center. At their arrival, thousands of people who had been playing various kinds of electric games gathered around on their own accord and chanted a deafening chorus of welcome. Comrades Hu Yaobang and Kim Chong-il got out of their limousines and walked into the crowd, waving their hands time and again to greet the masses of people. Comrade Kim Chong-il said to Comrade Hu Yaobang in high spirit: "About 50,000 people came to enjoy the facilities here today. Sometimes their numbers exceed 100,000 a day." He pointed at the coasting train which was sliding by at a high speed along a curved track and said: "When Comrade Hu Qili came to visit the recreation center, he rode on this kind of coasting

train." At these words, Comrade Hu Yaobang said with great interest: "Let us have a ride on it!" Comrade Kim Chong-il said: "You are old and had better not ride it once more." Comrade Hu Yaobang laughed at these words.

At the newly-built electronic hall, Comrade Hu Yaobang shook hands with an 18-year old student from the Mangyongdae Revolutionary School and kindly talked with him. Hu inquired into his name and the details of his study. Finally, Hu encouraged him, saying: "I hope that you will become a brilliant military commander in future to defend your motherland and safeguard peace in Asia."

Then, Comrade Hu Yaobang and his party drove to the cold-beds of rice seedlings at Chilgol Cooperative Farm. It is now the season for raising rice seedlings in Korea and this cooperative farm is a national advanced unit in raising rice seedlings. The head of the farm told Comrade Hu that the seedlings they raised all grew strong evenly and thus they can be used for mechanical transplanting and will yield a per mu output of 1,200 jin of rice. At this, Comrade Hu Yaobang happily raised his thumb and said: "The paddy grown by the Korean people is this." When he left the farm, he time and again shook hands with the head of the farm and said: "We should learn from you in growing paddy." He also wished them greater success in the future.

At nightfall, Comrades Hu Yaobang and Yang Shangkun arrived, in the company of Comrade Kim Chong-il, at the barracks of a certain KPA unit and watched a special combat training of the soldiers there. The soldiers' wonderful performance drew warm applause from the Chinese guests. Comrades Hu Yaobang and Yang Shangkun left under their joint signatures at the unit 21 big calligraphic characters reading "Our regards to the heroic Korean People's Army! Let us defend the motherland and safeguard peace in Asia!"

After an afternoon of busy visiting activities, Comrade Kim Chong-il asked Comrade Hu Yaobang with concern whether he felt tired. Comrade Hu Yaobang said energetically: "No, I am not."

It was already 0530 pm, but the Chinese guests did not return to the guest-house to have their meals and continued to drive to Mansudae Art Theater to watch the well-known revolutionary opera "The Flower Girl" for 3 hours.

General Secretary Hu Yaobang spent an unforgettable day in an ocean of friendship among the Korean people.

Visits Mining Complex

HK110456 Beijing RENMIN RIBAO in Chinese 10 May 84 p 6

["Newsletter From Korea" by Liu Zhengxue [0491 2973 1331] and Feng Zhiyuan [7458 1807 6678]: "Fruitful Results Gained at the Speed of a Winged Steed"]

[Text] On 8 May, at 2200, accompanied by Comrade Kim Il-song, Comrade Hu Yaobang boarded a train and left Hamhung for Chongjin for a visit.

At 0900 the next day, the train made a detour to the "Kim Ku" station which had been named by Comrade Kim Il-song. Not far from the station was the largest nonferrous metals mining base in Korea--the Komdok mining complex.

Visiting this mining area was proposed by Comrade Hu Yaobang himself before he began his trip to Korea. In the middle 10 days of September 1982 when Comrade Kim Il-song was paying a visit to China, he talked with Comrade Hu Yaobang and Comrade Zhao Ziyang about the important discussion held by the Workers' Party of Korea [WPK] at its Sixth Plenary Session of the Sixth Central Committee, on occupying the height of 1.5 million tons of nonferrous metals, and Komdok was one of the breakthrough points. Last year, at the beginning of June when Comrade Kim Chong-il visited China, he also mentioned this issue and briefed Comrade Hu Yaobang about the status of the investment in expanding the Komdok mine. Comrade Kim Chong-il said: The output of Komdok mine amounts to 50 percent of the total output of nonferrous metals in Korea. After the No 3 ore dressing plant, which is under construction and is soon to be completed, goes into operation, it will be able to process 14 to 15 million tons of mineral ores each year, and to produce large quantities of lead and zinc.

Soon after that, Comrade Hu Yaobang asked the relevant departments to send an investigation team to Korea for studies and investigations. Comrade Kim Il-song immediately instructed the Ministry of Mining of Korea: "The Chinese nonferrous metals industry investigation team will come to visit Korea. It is necessary to receive them well, make good arrangements for their work, and satisfy their requirements."

In November last year, our nonferrous metals investigation team made investigations on the Komdok mine and other mines. Under the leadership of Comrade Kim Il-song and the WPK, the speed of growth with respect to the production of nonferrous metals developed very rapidly. With regard to investment and construction, management and operation, labor and wages, welfare, and other respects, there was a set of effective measures suited to the concrete conditions of Korea. After the investigation team came back to China, its members made a detailed report to Hu Yaobang, who was very pleased to hear the news and said: "It is necessary to learn from the experience of the Korean comrades, and to actively grasp the exploitation of nonferrous metals in our country."

Today, accompanied by Comrade Kim Il-song personally, Comrade Hu Yaobang went to visit the No 3 ore dressing plant. The two leaders held very cordial talks on their way, discussing matters on construction and exchanging experiences. When the train reached a place about 20 or 30 kilometers from the "Kim Ku" station, blue hills and green streams suddenly turned into steep precipices and turbid waters. Comrade Hu Yaobang asked Comrade Kim Il-song: "Why is the water in the valley muddy and white?" Comrade Kim Il-song answered: "It is because the ores drift down stream from the end section of the mine. When the ores accumulate by degrees, the leak will be stopped up, and the water will become clear." Comrade Hu Yaobang continued

to inquire about the mine's reserves, investment, equipment, and the speed of construction. With vivid expressions and concrete figures, Comrade Kim Il-song made a splendid introduction.

When Comrade Hu Yaobang heard that the Komdok No 3 ore dressing plant, with a processing capacity 12 million tons annually, was completed in a brief period of 1 year, he asked: "Why was the speed so great?" Comrade Kim Il-song said: "Our methods have been that of concentrating our efforts on solving the key problems, and exploiting and developing the mine in a big way." Comrade Kim Il-song further explained that aside from mobilizing its own forces, the Ministry of Mining also made use of the equipment of various large machinery factories in the country and sought the support of thousands of fighters of the People's Army. Comrade Hu Yaobang voiced his approval enthusiastically: "It is really a good method of concentrating one's efforts on solving the key problems."

At the "Kim Ku" station, Comrades Hu Yaobang and Yang Shangkun and their entourage were warmly welcomed by tens of thousands of workers and their family members. And they immediately went up by car along a very steep mountain path to the No 3 ore dressing plant located 1,200 meters above sea level. Only a year ago, this place was a barren hill overgrown with wild grass, but now rows of neat dormitories for the miners can be seen stretching along the foot of the mountain and half way up the mountain. The 12-km-long ore conveying belt stretched from the foot of the mountain near the station up to the top of the high mountain, on which large factory buildings could be seen. The car reached the top after half an hour's ride. With great interest, Comrade Hu Yaobang visited the crushing and dressing workshop, the grinding workshop, and the flotation workshop. All the heavy-duty machines in the workshops were made by Korea itself. I Yong-sop, manager of the No 3 ore dressing plant, who accompanied Comrade Hu Yaobang on the visit, said to the reporters: "Now, our annual capacity of processing ores has been raised from the originally planned 10 million tons to 12 million tons;" "this visit of Comrade Hu Yaobang encourages us to resolutely increase our production with still greater enthusiasm in labor." Comrades Hu Yaobang and Yang Shangkun then stepped out of the workshop, and wrote down for the mine calligraphic letters which read "we pay tribute to the glorious worker masses and scientists and technicians of Korea for their vigorous advance in the speed of Chollima."

Occupying the height of 1.5 million tons of nonferrous metals in the 1980's is one of the 10 prospective targets in the socialist economic construction of Korea. May the people of Korea, under the wise leadership of Comrade Kim Il-song and the Workers' Party of Korea, realize this grand target at the speed of Chollima!

Visit Enhances PRC-DPRK Friendship

HK110838 Beijing XINHUA Hong Kong Service in Chinese 0348 GMT 11 May 84

["Roundup" by XINHUA reporters Hu Genkang [5170 2704 1660], Chen Yifei [7115 0001 7378], and Zhang Jinfang [1728 6930 5364]: "Taishan and Kim Kang Mountains Will Stand Throughout the Ages"--XINHUA headline]

[Text] Ch'ongchin, 11 May (XINHUA)--On 11 May, Hu Yaobang, general secretary of the CPC Central Committee, ended his official visit to China's friendly neighboring country, the DPRK. This visit has achieved its expected results and has been a complete success. It has demonstrated the desires of the peoples of the two countries to further strengthen and develop Sino-Korean friendship. It has also shown to the whole world the determination of the two parties and the two countries to maintain the peace and stability of the Korean peninsula and the Asian-Pacific regions, and to promote the peaceful unification of Korea.

The Korean Workers' Party, government, and people have always given first place to the development of the friendship between China and Korea. Today, when the Sino-Korean friendship has increasingly developed, they feel particularly happy to welcome the visit by Comrade Hu Yaobang. To welcome his visit, full preparations were made throughout Korea. The Secretariat of the Central Committee of the Korean Workers' Party made a special decision to transmit the news on Hu Yaobang's visit to all party branches in order to implement the decision concerned. The Korean comrades were determined to welcome Hu Yaobang's visit with the "highest standards." During his visit, Hu Yaobang and his party were warmly welcomed. The work of welcoming their visit truly attained the "highest standards."

Every year, Korea receives a number of heads of state, government leaders, and leaders of ruling parties from various countries. However, they have never been so warmly and grandly welcomed as were Hu Yaobang and his party. In Pyongyang, which is beside Taetong River, in Hamhung, which is situated at the side of the East China Sea, in Ch'ongchin, an industrial city, and in Wonsan, a port city, red flags fluttered, waves of flowers moved in the breeze, people sang and danced jubilantly, and thunderous cheers could be heard here and there. Wherever Hu Yaobang and his party appeared, people cheered and sang, and the atmosphere welcoming them was lively and warm. During a short period of 7 days, Hu Yaobang and his party visited four cities, and more than 2 million people from all walks of life welcomed and bid farewell to them. Almost half of the population in Pyongyang, Hamhung, and Ch'ongchin lined the streets to welcome and see off Hu Yaobang and his party. In particular, in Wonsan, a city with a population of 300,000 people, more than 200,000 residents lined up along the streets to welcome and bid farewell to them. They formed a long corridor 12 kilometers in length, which circled the city. In many units, almost everyone welcomed them and sent them off, except those who were on duty. People of three generations from some families went out to the streets. More than 200,000 people attended a grand welcoming rally held at Pyongyang's Kim Il-song square on the afternoon of 6 May. The Korean people accorded Hu Yaobang and his party an unprecedented great, warm, and grand welcome.

Just as Comrade Kim Il-song said, Korea's purpose in solemnly welcoming Comrade Hu Yaobang was to manifest the great unity between Korea and China and to teach the masses of people to always cherish Sino-Korean friendship. The Korean people's friendly feelings for the CPC leaders and the Chinese people have burst forth again and again, like an erupting volcano, at many welcoming gatherings. The passion which the masses showed in singing, dancing, and cheering to their hearts' content when welcoming the guests was just breathtaking. Immersed in the ocean of friendship throughout the trip, Hu Yaobang and his entourage were profoundly impressed with the Korean people's firm trust in the CPC and the Chinese people. When Hu Yaobang and his entourage left Hamhung, the masses who saw them off at the railway station even surged toward the special train, waving flowers, and cheering with feeling, and many of them were moved to tears. Their fervent passion deeply touched the Chinese guests to the heart! Witnessing the scene inside the special train, Comrade Kim Il-song, with deep feeling, told Comrade Yang Shangkun: We can mobilize the masses to see you off, but anyway, we can never reduce them to tears. Indeed, the Korean people's feelings for Hu Yaobang and his entourage burst out from the depth of their hearts.

Carrying forward the tradition of friendly contacts, the leaders of the Chinese and Korean parties frequently call on each other; they are as intimate as relatives. In visiting Korea, Comrade Hu Yaobang was actually calling on relatives in a friendly neighboring country. Comrade Hu Yaobang extended the cordial regards of the leading comrades of the CPC to Comrade Kim Il-song and other leading comrades of the Korean Workers' Party Central Committee. Hu Yaobang's and Yang Shangkun's cordial meeting with Kim Il-song, Kim Chong-il, O Chin-u, and others has linked the leaders of the two parties still closer and has further strengthened their comradely intimate ties. Comrade Kim Il-song accompanied Comrade Hu Yaobang throughout his trip, visiting various places and travelling more than 800 kilometers. During the journey, they chatted cheerfully together, spoke glowingly of the friendship between the two countries, freely discussing the world situation, and completely feeling as dear to each other as two members of one family.

In their visits to various places, Hu Yaobang and his party saw the achievements of the Korean people in politics, the economy, culture, and the military. The revolutionary spirit of the Korean people in devoting themselves to socialist construction, and their lofty style and character in attaching attention to civilization, good manners, and discipline throughout society left an indelible impression on the Chinese guests. When visiting factories and the rural areas, Comrade Hu Yaobang expressed time and again how Korea set an example for China in many areas. Through the visit by Comrade Hu Yaobang, the achievements of the Korean people in every field will certainly inspire the CPC and the Chinese people, who are striving for the building of socialist spiritual and material civilization.

At present, the world situation is turbulent. Peoples of various countries have shown concern for the peaceful unification of Korea and the peace and stability in the Asian-Pacific region. During his visit, Hu Yaobang and Kim Il-song held very important talks, fully exchanging views on the world situation, in particular the situation in Asia and the Korean peninsula,

and the channels for the peaceful unification of Korea. And they held completely identical views. In one word, they talked about safeguarding peace. During their meeting, Kim Il-song pointed out: The Korean Workers' Party and government have all along persisted in the stand for the peaceful unification of the motherland. In January this year, North Korea made a proposal to hold a trilateral meeting with the participation of the northern and southern parts of Korea and the United States. This would be of great advantage to solving the Korean issue, relaxing the situation on the Korean peninsula, and promoting the peace and stability of the Asian-Pacific region. Hu Yaobang has stressed that in realizing the general goal of the peaceful unification of Korea, China resolutely supports President Kim Il-song's proposal, through negotiations, of realizing the independent, peaceful unification of the north and the south in the form of a coalition government. The realization of the peaceful unification of Korea in the form of a coalition government is realistic and feasible. This means adopting the measure of "one country, two systems," and neither should annex the other. Hu Yaobang also said: China does not approve of the stationing of the U.S. troops in South Korea. The United States should leave South Korea, the "unsinkable aircraft carrier," and take a positive attitude in relaxing the situation on the Korean peninsula. Kim Il-song has shown his thanks for the stand of the CPC, the Chinese Government, and people to resolutely support the proposal on the peaceful settlement of the unification of the northern and southern parts of Korea in the form of a coalition government.

At the mass rally in Pyongyang, the leaders of the two parties of China and Korea made public to the world their identical stand achieved at their talks. Kim Il-song emphasized that the Korean people are earnestly desirous of achieving peace in the Korean peninsula. The consistent policy of Korea has been to struggle for opposing war and maintaining peace. The Workers' Party of Korea is striving to resolve the Korean issue peacefully through dialogue and consultations. Hu Yaobang pointed out: The path pursued by the party and government of Korea in seeking the peaceful reunification of the motherland is "a broad road of turning swords into plough shares, which is in conformity with the trends of the times and the minds of the people." He solemnly declared that China resolutely supports the peaceful reunification of Korea. The speeches of the two leaders demonstrated to the world that the two parties and governments of China and Korea love peace, and are resolved to make all possible efforts for the peaceful reunification of Korea and for the stability of the Asian-Pacific region. The Chinese Communists believe that a new Korea, which is prosperous, rich, and strong, and independent and self-reliant, comprising nearly 60 million compatriots who are reunited, will emerge in the east of the world.

"The people of Korea and China are like brothers, and their fighting friendship is increasing day by day." These lines of a poem written by Comrade Chen Yi in February 1958, when he accompanied Premier Zhou Enlai for a visit in Korea, vividly portray the friendly relationship between the two parties and between the two peoples of China and Korea. The results of the meeting of Hu Yaobang and Kim Il-song and the warm and friendly sentiments expressed by the Korean people toward the Chinese leaders and the Chinese people show that the great friendship of the two parties and of the two peoples of China and Korea will last forever, with an imperishable noble spirit like the two great mountains, Taishan and Kim Kang, in the two countries.

NORTHEAST ASIA

JOURNAL DISCUSSES SOUTH KOREA'S DEBT 'BURDEN'

HK240823 Beijing SHIJIE JINGJI in Chinese No 3, 10 Mar 84 pp 38-40

[Article by Zhang Ying [1728 5391] of the Korea Research Institute of the Jilin Provincial Academy of Social Sciences: "South Korea's Heavy Burden of Debt"]

[Text] At the end of 1982, South Korea's foreign debt reached \$37.3 billion, which was equivalent to over 56.4 percent of the 1982 gross national income of the country, and the heavy foreign debt ranked fourth in the world behind Brazil, Mexico, and Argentina. Dividing South Korea's total foreign debt between its total population of 37 million, the foreign debt burden of each person was about \$1,000. In view of this, the IMF in its annual report cried out in alarm that South Korea's foreign debt had already reached a "critical level."

I. The Process of Importing Foreign Capital

South Korea's current horrifying foreign debt amount is an accumulation of debts over a long period.

Before the 1950's, South Korea was completely dependent on the economic assistance of the United States; therefore the major item in importing foreign capital was "U.S. assistance" and most of the U.S. assistance then were given gratuitously. However, after stepping into the 1960's, the U.S. assistance once given gratis gradually became loans.

During the 1960's, the foreign debt imported by South Korea increased each year and in particular after 1965, when the Japanese monopoly capital surged into South Korea, which changed South Korea's trend of importing foreign capital predominantly from the United States. In 1966, South Korea formulated a "law on importing foreign capital" which included various past rules and regulations on importing foreign capital, and joined various international trade and monetary organizations such as GATT and the International Finance Corporation. Consequently, the channels for importing foreign capital increased and the amount of imported foreign capital also was steadily increasing.

In the wake of the rapid economic development in South Korea in the 1970's, there was a growing demand for capital and the amount of imported foreign capital of South Korea grew acutely. In addition to the unfavorable economic climate, the so-called "oil crises" in 1973 and 1979 in particular have seriously affected the economy of South Korea and caused a deterioration of its economic situation. In light of this, South Korea relaxed restrictions on importing foreign capital and indiscriminately imported loans of an enormous amount on harsh terms, increasing the country's foreign debt burden to an unbearable level.

II. Utilization of Foreign Capital

Viewing South Korea's process of importing foreign capital from an overall view, we can note the characteristics of importing from a small to a huge amount, from a steady to an aggressive speed, and from critically to blindly importing capital.

South Korea has made numerous achievements in developing its economy by utilizing foreign capital and in particular, between the late 1960's and the early 1970's, that is, during the period of the first, second, and third 5-year plans. Effective utilization of foreign capital is one of the important factors accounting for a rapid economic development in South Korea.

During this period, South Korea was very cautious in importing foreign capital and mainly imported loans which could be repaid over a longer period, with lower interest rates and which could be extended on preferential conditions. In addition, the imported foreign capital was used mainly in developing light industries which required less investment and brought about results in a short time, yielded a high foreign exchange rate, and which were labor intensive in nature. This brought about good economic returns and hastened economic development.

However, because the official authorities of South Korea had failed to correctly sum up the experience in importing and utilizing foreign capital, a superstition surfaced regarding foreign capital and was regarded as an all-purpose medicine which could heal all kinds of diseases. Simultaneously, due to the recent economic crisis in South Korea, the original practice of importing foreign capital in an orderly way was sabotaged and a situation of blindness and anarchism appeared as far as importing foreign capital was concerned. On the other hand, as far as utilization of foreign capital was concerned, a situation appeared of demolishing the wall in the East to repair that in the West and borrowing new loans to pay old debts. This can be clearly seen in the acute change in the amount and kinds of foreign capital imported into South Korea and the changes in its utilization.

South Korea's situation of importing foreign capital during the period of the several 5-year plans was: The total amount of imported foreign capital was \$291 million during the first 5-year plan (1962-1966) and the average each year was \$58.2 million; it was \$2.166 billion during the second 5-year plan (1967-1971) and the average each year was \$433 million; it was

\$5.432 billion during the third 5-year plan (1972-1976) and the average each year was \$1.086 billion; it was \$17.658 billion during the fourth 5-year plan (1977-1981) and the average each year was \$3.531 billion; and it is estimated that a total of \$46.5 billion would be imported during the fifth 5-year plan (1982-1986) and the average each year is estimated to be \$9.3 billion.

From the above, we can see that the amount of imported foreign capital increased more rapidly as time went on, and the rate of increase over the past few years was astonishing. For instance, it was increased to \$5.756 billion in 1979, \$6.886 billion in 1980, and \$6.086 billion in 1981. The amount of foreign debts showed an increase of \$18.728 billion in these 3 years, exceeding the past accumulative debt (\$14.723 billion), with a yearly average of \$6.2 billion. This greatly surpassed the increased rate of the foreign debt in the mid-70's.

There is one more characteristic of importing foreign capital into South Korea, that is, the more deteriorated the national economic situation, the larger the amount of imported foreign capital. For instance, the amount of imported foreign capital was \$933 million in 1974, an increase of 31 percent when compared to the total of \$713 million for 1973. The main reason for this was that South Korea's economic crisis was intensified when the oil-exporting countries raised the oil price to a large extent. A large amount of foreign capital was also imported into the country in 1979 when another economic crisis prevailed. Apart from this, the imported foreign capital amounted to \$2.748 billion in 1978, an increase of 47 percent over the \$1.868 billion in 1977, and the reason for this was that many heavy chemical industrial projects were promoted in South Korea in 1978, which intensified the need for foreign capital.

Great changes have taken place in South Korea's policy on importing foreign capital. In the early 70's, medium- and long-term loans extended on preferential conditions accounted for a large proportion of the imported foreign capital, but since the late 70's, the medium- and long-term loans extended on preferential conditions were reduced and the short-term loans multiplied. The short-term loans amounted to \$4.624 billion in 1979 but rocketed to \$10,437 billion in 1981. The proportion of short-term loans among the total foreign debt increased from 22.6 percent in 1979 to 31.2 percent in 1981.

In the wake of the rapid increase of the foreign debt in South Korea, its utilization was no more limited to developing the economy, but a certain amount of foreign debt was used to repay capital with interest. For instance, in 1981, South Korea used a total of \$5.6 billion, an equivalent of 9.4 percent of the country's gross national income, to repay capital with interest. In this sum, the amount used for repaying loan principals was \$1.9 billion and that for repaying interest was \$3.7 billion. The interest payment accounted for two-third of the total debt payment and was equivalent to 6.2 percent of the country's gross national income. In 1981, imported foreign capital totalled \$7.2 billion (including short-term loans), that is,

three quarters of the foreign capital imported that year had to be used on repaying capital with interest. The burden of repaying capital with interest became heavier when a large number of foreign loans became due gradually. In a situation like this, South Korea had no alternative but the method of undertaking new loans to pay off old debts. This not only reinforced South Korea's dependence on foreign capital but gradually caused the role of importing and utilizing foreign capital to change from a positive to a negative one, and caused foreign capital to change from a factor for promoting economic development to a burden in the course of economic development.

III. The Reasons for a Heavy Burden of Debt

There are many factors, both external and internal, accounting for a heavy burden of debt in South Korea.

As far as the external reasons are concerned, the main one is that since the 70's when an unfavorable economic situation prevailed in the Western developed countries, some developed capitalist countries such as the United States and Japan shifted their economic burden onto the developing countries and areas in order to solve their domestic economic difficulties by suppressing the price of raw materials, restricting the import of finished products from the developing countries and areas, increasing the export of capital and increasing bank interest rates. Under such circumstances, the foreign debt burden of many developing countries and areas (including South Korea) became heavier, in particular, the burden of repaying capital with interest. South Korea paid \$1.5 billion in interest in 1979, \$2.7 billion in 1980, \$3.7 billion in 1981, and approximately \$4 to 4.5 billion in 1982. If the interest rate was increased by 1 percent, the burden on South Korea would be increased by \$270 million.

Certainly, the internal factors are the primary factors accounting for a heavy foreign burden of debt in South Korea.

1. South Korea's line of economic development was formulated on the basis of relying on foreign capital, in particular, the capital of the United States and Japan. Since Pak Chung Hee came into power, he vigorously implemented the line of developing the economy by relying on foreign capital, which meant importing an enormous amount of foreign capital in order to push forward the process of industrialization, promote the export of products, and repay foreign debts with foreign exchange, and subsequently achieve an "independent economy" for South Korea. But reality proved that it was only a smug calculation which ended up a heavy burden in repaying capital with interest and created several problems, such as an imbalance in the industrial structure, a deterioration in the financial structure of enterprises, and the increase of trade deficits and a more severe inflation rate.
2. Since the mid-60's, South Korea has made certain achievements in economic development by utilizing foreign capital, and this created an illusion among the officials in authority in South Korea. It seemed to them that

it was impossible to develop the economy if foreign capital was not imported, thus, foreign capital was imported blindly and indiscriminately, acutely increasing South Korea's foreign debt.

3. Because a huge amount of foreign capital had been imported blindly and the economic returns and the effective utilization of foreign capital had been neglected, the production cost of products of enterprises, which relied on loans, rocketed, thus losing their competitive power in the international markets. Moreover, products which have presumably been produced for export are sold inside the country, thus, the country is unable to gain foreign exchange and subsequently is unable to repay loans as scheduled. In addition, the poor business situation or closure of enterprises which rely on foreign loans has forced these enterprises to borrow new loans in order to balance the revenue and expenditure or to maintain their existence, and this resulted in an increase in the foreign debt.

4. Loans have been extended to make up for deficits in operational expenses. There have been constant deficits in South Korea's trade revenue and expenditure, but the majority was made up for before the mid-60's with the free offer by the United States and international financial organizations. Thus, an overall balance was achieved as far as operational expenses were concerned. However, as time went on, the United States reduced its assistance to South Korea and changed free assistance to repayable assistance, and this caused a deterioration in South Korea's international revenue and expenditure. Since the mid-60's, there have been constant deficits in operational expenses (except for a balance of \$12 million in 1977). In the period between the mid-60's and early 70's, despite the fact that the average yearly rate of increase of the export of commodities in South Korea was maintained above 40 percent, there were still constant deficits in trade revenue and expenditure owing to a sharp increase in the import of raw materials for capital goods and export products. In the initial stage, the deficits in such trade revenue and expenditure could still be balanced by the revenue and expenditure of other sources (such as the military expenses submitted by the U.S. armed forces stationed in South Korea, the income of labor work undertaken by South Korea from the United States during the Vietnam war, and the income from tourism and overseas construction work). But since trade deficits are constantly on the increase, South Korea has no other alternative but to extend loans (long- and short-term capital) from foreign countries in order to make up for the trade deficits and balance the operational expenses.

Therefore, South Korean economic circles hold that the question of international revenue and expenditure is a question of life-and-death to the economy of South Korea.

5. The two "oil crises" have urged South Korea to increase loans to a large extent in order to cope with the demands for importing fuel and raw materials. Only the amount of foreign exchange used by South Korea in importing crude oil and crops in 1982 totalled \$9.2 billion and the extension of more foreign loans becomes the last resort in such problems.

When the deadlines for repaying capital with interest are near, the burden on South Korea becomes very heavy. Under such circumstances, South Korea has to resort to borrowing short-term capital and loans at a high interest rate from financial organizations to deal with emergencies. This in fact means borrowing usurious loans which makes the present situation more difficult. Since there are many factors accounting for the present crisis of a heavy foreign debt, it is impossible for South Korea to shake off or alter this situation if it does not completely reform its economy.

CSO: 4005/586

NEAR EAST/SOUTH ASIA

CHINESE OFFICIAL RECOUNTS RECENT VISIT TO INDIA

HK250435 Beijing LIAOWANG in Chinese No 14, 2 Apr 84 pp 30-31

[Article by Qian Junrui [6929 0913 3843]: "Impressions of India"]

[Text] I had long wished to visit India because it is a civilized and ancient country with long-standing history and industrious and intelligent people and because it is a great neighboring country of China. Historically, China and India have had close contacts and through these contacts they have formed profound and traditional friendship. In the 1950's, Prime Minister Nehru visited China in the company of his daughter Indira and I was lucky enough to have a chance to meet them. Under the instruction of Premier Zhou Enlai, Vice Premier Guo Moruo and I briefed the guests on the situation in the cultural, education and scientific construction of China. Thanks to the five principles of peaceful coexistence that were advocated by Premier Zhou and Prime Minister Nehru, the Sino-Indian relations were then at their height. These five principles have been acknowledge by the world as the basic principles for handling relations among countries. But is was unfortunate that, beginning in early 1950's, the relations between China and India experienced a tortuous path. And now we are happy to see that these relations and contacts among various sectors between the two countries have been gradually restored in the past few years. Invited by the Council of Social Sciences of India, a delegation from the Chinese Academy of Social Sciences headed by Mao Hong visited India in January this year. And, as adviser to the delegation, I had the chance to realize my desire of visiting India, a dream I had had for as long as 50 years.

During the visit, we experienced the profound friendship cherished by the people of India toward the Chinese people. The delegation was given a very cordial reception and consideration and was warmly welcomed by people from various circles. During the talks, the two sides recalled the historical and traditional friendship between the two countries and exchanged views on academic matters and experiences in construction in a very cordial atmosphere. Prime Minister Indira Gandhi met the leader and some members of the Chinese delegation in her office where both sides had cordial and friendly talks. Mr Gandhi said that she was delighted to see that the relations between the two countries have been improved and she hoped that this situation would continue. She said that friendly cooperation between India and China is not only in the interests of the two countries but also represents a very important factor for the unity and cooperation of the Third World and world

peace and security. She said that when India and China stand side by side, they will be able to deal with pressure from industrially advanced countries. She said that the memory of the reception and the profound friendship given and shown by Premier Zhou Enlai to Prime Minister Nehru and herself during their visit to China in the 1950's is still fresh in her mind. She spoke highly of the achievements made by China in construction and said that the experience of China in construction merits study. She ardently hoped that economic and cultural exchanges as well as cooperation between the two countries would be strengthened.

During our 2-week visit to India, we witnessed the progress made by India in the economic sector since the independence of the country. The basic reason for India having been able to make such achievements is that the political situation in India is relatively stable, and is coupled with continuity of policy. Over the past 30 years India has gradually eliminated the remnants of colonialism, implemented to a certain extent the policy of nationalization, and formed a national capitalist economic system with the integration between state economy and consortiums as the backbone. In economic construction, India has followed the principle of lower but stable economic growth so as to guarantee that the economy will be able to constantly grow. The economy on the average has grown 3 to 3.5 percent annually in the past 30 years and per-capita income has grown at an average of 1.5 percent. India has built its own heavy industrial system, with an average industrial growth of 5.8 percent. Consequently, India has a relatively high capability in self-sufficiency. In agriculture, India has, since the 1960's, launched the "green revolution" that includes popularizing fine seed strains, increasing the amount of the application of fertilizer, and building water conservation facilities. These measures have produced considerable achievements. Grain output increased from 50 million tons in 1951 to 133 million tons in 1982. India is now not only self-sufficient in grain but has also been able to export it. And, taken as a whole, the people's living standard has been raised to a certain extent.

But India is still facing various difficulties and social problems such as caste, contradictions and conflicts between people with different religious belief, serious polarization between the rich and the poor, and unemployment. These problems are not surprising. All the developing countries that have become independent after long periods of the rule of feudalism and colonialism have such difficulties and contradictions. The question is how should the leaders of these countries implement proper policy to gradually overcome and eliminate such unfavorable factors.

I am of the opinion that many of the achievements and experiences of India in construction merit our study and they are mainly shown in the following aspects.

First, in the process of carrying out a modernization program, sparing no effort in developing national economy and maintaining the features of national culture.

Indian people are industrious, they have creativity and they are good at assimilating the good points of people of other countries. During our stay in India, we visited the Taj Mahal which was built by the Mughal Emperor of India. It is a magnificent building. It reflects the national features of India and has also integrated the cream of the art creation of many countries, including China. India was under the rule of the West for 200 years in the past and this means that the country has been under the serious influence of colonialism. India has implemented an open-door policy since its independence, but the corrupt influence of Western decadent civilization in this country is not serious and it still maintains many fine national traditions and habits. The habits of respecting the old and supporting the young, modesty, and giving precedence to others out of courtesy and the costume, architecture, fine arts, music and dance that are characterized by national splendor have made profound impressions on people.

The people of India are characterized by strong national dignity and confidence. The government has firmly restricted imports of high-grade consumer goods and almost all of the vehicles used in India are made by the country itself. There are no advertisements for foreign goods in the streets. India has actively imported and made use of foreign capital and economic support in huge amounts. India takes up a considerable proportion (about \$30 billion) of the total credits provided by the World Bank and the International Monetary Fund and yet in spite of this, it has been able to maintain independence and keep the initiative in its own hands.

All imported capital is controlled by the central government and the use of this capital has been combined with imports of advanced technology. The Indian Government has stipulated that newly-established joint ventures and enterprises with foreign capital must import advanced technology that is needed by the country; otherwise, no such joint ventures or enterprises will be approved. India has imported more than 6,000 items of advanced technology since independence, with considerably good effect. The country has also paid much attention to adapting the advanced imported technology into one that accords with its national condition. The country has also exported certain reformed technology to the Third World. India has also concentrated foreign trade in the hands of certain government while imports of industrial products are strictly restricted.

Second, paying more attention to economic effects and technical reform.

All trades in India have paid a lot of attention to economic effect and this situation is particularly striking in private enterprises. They have formed a series of perfect methods for improving quality and management.

The quality of industrial products is under the control of various levels while testing of the quality of export oriented goods is particularly strict. That is why Indian export commodities are quite strongly competitive. India has also paid much attention to management science while management colleges, three of which are national colleges, have been set up across the country.

These colleges have set up various vocational study branches to train management staff for various enterprises. They also provide short-term courses to

solve theoretical and actual problems in enterprise management. All states in India have their own development research institutes to specially study the orientation and distribution of their regional development. A number of polytechnic colleges and schools have set up departments of humane studies while colleges of arts have set up courses in natural science. These facilities are highly advantageous to training the management staff of modern enterprises in an overall way.

Third, relatively brisk market economy.

Indian state enterprises have cooperated with private enterprises in developing the so-called mixed economy. Consequently, the country has set up a relatively perfect economic system that is composed of heavy industry, light industry, agriculture, finance, transport and communications, commerce and service trades. India began to introduce planned economy in the 1950's and is now carrying out the Sixth Five-Year Plan. According to official figures, planned economy makes up about 80 percent and market economy 20 percent. And of the planned economy, the state economy makes up 55 percent and private economy 45 percent. The proportion of the planned economy is in fact much smaller. Since the late 1970's, the government has weakened mandatory planning to enable market economy to display its regulating roles still better. Thanks to this effort, the whole national economy has been activated. A variety of products are available in the markets in this country to meet the needs of buyers.

Fourth, paying attention to science and education to step up mental exploitation and training of talents.

During our visit to India, we met a number of experts, scholars, and management staff of various trades. Most of them are in the prime of life, with a certain amount of theoretical and practical experience. Statistics showed that the number of scientists and technicians in India is 2 million, ranking third in the world after the United States and the Soviet Union. India has also been working hard in developing scientific research and training talents, coupled with a series of practical and rational systems and methods. In education, India has stressed the importance of basic training. Expenditures for science and technology have been increased from 46 million rupees in 1951 to more than 100 million rupees in 1983, with increases of more than 200 times in a matter of 32 years. There are now more than 900 research institutes of various kinds in the country and there are basic guarantees for expenses, man power, and organization. In addition to the institutes of higher learning that are specialized in training talents, a number of research institutes have also enrolled postgraduates who will receive training for masters and doctoral degrees.

Administrative, economic, and scientific research departments in India generally recruit their staff through examination. A number of professors and directors or managers of research offices in universities, research organizations, and enterprises are only around 40 years old. The government has paid attention to absorbing the opinions and suggestions of experts from various aspects in making decisions. The staff of various scientific and

research organs is generally smaller in scale but to a greater extent it is composed of young people with high-level training and capability and strong vitality.

During our stay in India, we paid particular attention to the country's research achievements in social sciences. Over the past 3 decades and more, India has formed a relatively complete system for the research of social sciences and trained a great number of talents for research and education work. These qualified persons have paid much attention to the study of basic theory in various sectors of social sciences. And in particular, they have concentrated their effort on carrying out study and investigations and on resolving actual problems such as the problems of various economic departments, population problems, nationality problems and the problems of regional exploitation. Some fine scholars have won prestige in international academic circles. Social scientific circles in India have an important and common feature. That is, on the basis of developing the cultural heritage of their own country with the needs of the era. They are striving to find ways to solve problems and they have advocated freedom in academic matters and daring in creative work.

Fifth, a high level of activity in international affairs.

Various circles in India have frequent contacts with other countries and allow their staff to work with UN and other international institutions and organizations. I was informed that the number of Indian people working with international organizations has far surpassed the proportion of the population of this country in world population. This situation has many advantages for India. The country has been able to maintain close contacts with many international organizations, make more friends, and attain enormous preferential funds, rich materials, and quick access to information; this situation is also helpful in broadening the outlook of the country and training a number of talents who will become backbones in various aspects when they return home. India is also active in organizing and hosting various international conferences such as the summit conference of nonaligned countries, the South-South cooperation conference and the conference of Asian members of parliament on population and development, as well as international sports and literature and art activities. Through these activities, India has been able to expand its influence, raise its position, increase material income and absorb the cultural heritages of other countries.

China and India are the two developing countries with the biggest populations and largest areas. Improvement and development of the relations of friendship and cooperation between the two countries, which are based on the five principles of peaceful coexistence, have very important roles in protecting peace in Asia and the world. In addition, the two countries have many things in common in construction such as agricultural development, population control, nationality unity and improvement in economic management and investment efficiency. It is imperative to develop economic and trade relations between

the two countries, step up bilateral cultural and academic exchanges, supply each other's needs and learn from other's strong points to offset weaknesses so as to take full advantage of existing potential. This practice is not only in the interests of the economic development of the two countries. It will also strengthen South-South cooperation and make still greater contributions to creating a new international economic order.

CSO: 4005/613

NEAR EAST/SOUTH ASIA

NONALIGNED FINANCE GROUP ENDS NEW DELHI MEETING

OW271112 Beijing XINHUA in English 1105 GMT 27 May 84

[Text] New Delhi, 27 May (XINHUA)--The Non-aligned Movement (NAM) experts group on money and finance concluded its third meeting here yesterday.

It has prepared a final draft on the substantial issues arising in the context of the NAM proposal for convening an international conference on money and finance for development with universal participation. The draft was presented for discussion by India. It highlighted the inadequacies of the present international monetary and financial system and provided proposals for reviewing the international monetary and financial system for development.

Experts from Algeria, Mexico, Tanzania, Yugoslavia and India attended the meeting at which issues of exchange rate regime, interest rates, liquidity, financial flows, debt problem as well as modalities of convening the international conference were discussed.

According to the spokesman of the Ministry of External Affairs of India, it might take another week before the report is submitted to Indian Prime Minister Indira Gandhi, the chairperson of NAM. And a further action on it would be taken after the report is accepted.

The first experts group meeting was convened in December 1983, the second one in February 1984.

The seventh conference of heads of state and government of NAM held here in March, 1983, had called for convening an international conference on money and finance for development with universal participation in a bid to meet effectively the financial need of the developing countries.

CSO: 4000/368

NEAR EAST/SOUTH ASIA

'ARAFAT WANTS LEADING ROLE FOR EGYPT

OW032050 Beijing XINHUA in English 1640 GMT 3 May 84

[Text] Cairo, 3 May (XINHUA)--PLO leader Yasir 'Arafat told an Egyptian reporter in Tunis that it is high time for Egypt to return and occupy its leading role in the Arab world.

In an interview carried in the Egyptian newspaper AL AHRAM today, 'Arafat declared that the big and dangerous challenges which the Arab nation faces require a courageous and responsible stance to rectify the whole Arab course. He said: "The Arab nation has no choice at this time and they have to take immediate action using all means so that Egypt may return to assume its leading role which it has not exercised for a long time. The return of Egypt to the Arab nation means the rectification of the course and the restoration of balance which has been tipped."

He further said that the stances of President Husni Mubarak affirm to everybody Egypt's commitment to the causes of the Arab nation. He added that he and his fighters went out of Tripoli in Lebanon under the protection of the Egyptian Navy and Air Force. "Doesn't this mean a true Egyptian commitment to the Arab cause?" he asked.

He then recalled that President Mubarak declared inside the White House of the United States his support for the Palestinian people's right to self-determination and affirmed that the PLO is the sole legitimate representative of the Palestinian people. He then mentioned Egypt's decision to cut off diplomatic relations with El Salvador and Costa Rica because the two countries moved their embassies in Israel from Tel Aviv to Jerusalem.

On relations with Syria, 'Arafat extended his hand "to the Syrian brothers to restore relations between the two sides on the basis of the independence of the Palestinian decision."

'Arafat stated that the Palestinian revolution will establish at some time a provisional government but not a government in exile. But he said that the present circumstances are not favorable for such a step.

CSO: 4000/367

NEAR EAST/SOUTH ASIA

BUSH VIEWS GULF WAR, USSR INVASION OF AFGHANISTAN

OW202002 Beijing XINHUA in English 1947 GMT 20 May 84

[Text] Kuwait, 20 May (XINHUA)--The visiting U.S. Vice President George Bush said in Muscat Sunday that he sincerely hoped that the Iran-Iraq war--a "terrible tragedy"--could be brought to an end, according to OMAN NEWS AGENCY.

Bush said the United States would not attempt to impose a settlement and had no role at present in bringing about a negotiated settlement. He said he was sure that any settlement must recognize the internal integrity of both states.

Referring to the Middle East problem, the vice president said, there were some common ingredients in the Fes summit plan and a U.S. plan. "We would like to see negotiations go forward. We would like to see King Husayn come to the negotiating table. We would like to see that question of the Palestinian people resolved," he said.

On Afghanistan, Bush said that having seen the refugees at first hand during his trip, he strongly felt that all people of goodwill should call for a Soviet withdrawal and that world opinion should demand it. He said that the Soviets had an "avaricious" appetite which went beyond Afghanistan.

Bush arrived in Muscat on May 18 from Pakistan on an official visit to Oman.

CSO: 4000/367

BRIEFS

INDIAN REPLY ON SPACE FLIGHT--New Delhi, 18 May (XINHUA)--A U.S. official said here today the United States is waiting for India's reply to its proposal to take an Indian scientists aboard the space shuttle to launch India's multi-purpose satellite Insat-1C in 1986. Dr Donald McNair, a senior official from the U.S. National Aeronautics and Space Administration (NASA), said that no reply had been received so far from India since the offer was made six months before. India's satellite Insat-1B was launched by the U.S. space shuttle Challenger seven months ago. The Insat-1A, which has stopped functioning, was also launched by the U.S. missile. On April 3, the first Indian cosmonaut went into space with two Soviet cosmonauts aboard Soyus T-11. India is striving to launch a communication satellite by its own missile early next decade. [Text] [OW190404 Beijing XINHUA in English 1906 GMT 18 May 84]

SOVIET TROOPS TO AFGHANISTAN--Islamabad, 18 May (XINHUA)--Twelve hundred fresh Soviet troops have been sent to Rukheh, major town in Panjsher valley from Kabul, to intensify their offensive against Afghan resistance forces but they are stranded there, AGENCY AFGHAN PRESS reported today. The AAP report from Panjsher said more than 100 paratroops have also been dropped by helicopters in the upper valley, 30 kilometres north of Kukheh to build a camp near Mojahedin's positions in the area. Meanwhile, 200 more Karmal soldiers who defected their army have joined the Mojahedin forces. The number of Karmal troops who joined the Mojahedin in the last four weeks has exceeded 950. During last week, five tanks and two armored vehicles of the Soviet-Karmal troops were destroyed by the Mojahedin in different clashes. The Mojahedin forces have mined many places beyond Rukheh and are attacking the Soviet-Karmal troops including the fresh units trapped in the valley near and around Rukheh. It was also reported that the Soviet forces used different kinds of chemical gas in their offensives against the Afghan resistance forces. Soviet planes kept bombing the valley every day. [Text] [OW182058 Beijing XINHUA in English 1631 GMT 18 May 84]

'ARAFAT ON TALKS WITH ISRAEL--Kuwait, 30 Apr (XINHUA)--Palestine Liberation Organization leader Yasir 'Arafat has called for direct talks with Israel under the umbrella of the United Nations to secure peace in the region. In an exclusive interview with the newspaper KUWAIT TIMES conducted in Tunis and published here today, 'Arafat suggested that the UN Security Council be the forum for the PLO-Israel talks. "I address this challenge to all Israelis--a just peace. Will they vote (in the Israeli elections this July) for peace or not? My candidate is peace. Otherwise the cycle of violence in the Middle East will continue forever," he said. Observers here said that 'Arafat's initiative coincides with his alienation from the recent Palestinian raids inside Israel, for which the PLO Democratic Front and the Popular Front have claimed responsibility. "There is a big difference between military action against military targets and violent acts against other targets," 'Arafat said. [Text] [OW301120 Beijing XINHUA in English 1108 GMT 30 Apr 84]

WESTERN EUROPE

EC MINISTERS DISCUSS EAST-WEST TIES, OTHER ISSUES

OW281155 Beijing XINHUA in English 1112 GMT 28 May 84

[Text] Paris, 27 May (XINHUA correspondent Yang Qi)--The Foreign ministers of the ten EEC member countries unanimously acknowledged the necessity of increasing contacts with the Soviet Union and East European countries, French External Relations Minister Claude Cheysson said today.

Cheysson, also president of the EEC Ministerial Council, told a press conference that "tensions" between Washington and Moscow make such contacts "more important."

"It is important that we can say to the Soviet Union which are the elements of their policy that we cannot accept: the occupation of Afghanistan, the curtailment of freedom in Poland and the violation of human rights," he said.

Cheysson made the statement after the foreign ministers discussed the East-West relations, the Iran-Iraq war, the situation in Central America and the construction in Western Europe at a two-day meeting in Salon-de-Provence, southern France, which ended today.

Cheysson said the ministers were pleased at the Hungarian proposal to conclude an accord with the EEC. "This is the first time an East European country will formally recognize the community," he said.

Cheysson said the ministers are rather disappointed at the Iran-Iraq war. The EEC countries are considering urging the parties concerned to maintain prudence so as to avoid the internationalization of the conflict, he said.

He said all the ministers believed that there is no immediate inquietude on the oil market situation.

On the construction in Western Europe, Cheysson said the ministers agreed to strictly respect the Rome Treaty, which is the foundation of the community. They showed their interest in the idea of advancing the community.

Cheysson said the ministers stated a rapprochement of viewpoints of their countries on the situation in Central America. They hope the election of

Jose Napoleon Duarte to the head of state of El Salvador can permit progress towards the political dialogue between the political forces in that country.

The ministers believed that it would be an element of relaxation if there were fair elections in Nicaragua.

Cheysson said the ministers agreed that the community will respond if the five countries in Central America make a joint approach to the EEC.

CSO: 4000/369

WESTERN EUROPE

MITTERRAND SAYS EUROPE NEEDS POLITICAL PLAN

OW221910 Beijing XINHUA in English 1456 GMT 22 May 84

[Text] Paris, 21 May (XINHUA)--French President Francois Mitterrand said here today that "Europe needs a political plan" to enable it to assert itself and carry weight with the rest of the world.

"It is a question of existing, of asserting ourselves in the world, and for that we need a political will and shared institutions," Mitterrand said in an interview with reporters from six French dailies.

"We can not be content today to arrange agreements between disputing members (of the EEC) and to introduce new policies, however needful they may be. Europe needs a political plan," he added.

France took over presidency of the 10-member community in January for a six-month term, and President Mitterrand is due to address the European Parliament in Strasbourg Thursday.

He said that the planned Treaty of European Union, adopted by the European Parliament in Strasbourg in February, was an initiative going in the right direction because it corresponds to "a will to affirm the political reality of Europe."

The French leader said although there exist "disputes" and "disagreements" among the community members, "Europe lives, works, and progresses." "All the member countries want to advance in the European construction," which, he said, is "a decisive means" to "manage the third industrial revolution."

Mitterrand stressed, "We must increase Europe's capacity to decide itself ways to maintain its independence, and therefore its security."

He said he did not think the planned entry of Spain and Portugal into the EEC would weaken the community, as long as it was well prepared.

On the relations between the EEC and the Third World, Mitterrand said, the latter is "the primary supplier and the primary customer of the EEC."

CSO: 4000/369

WESTERN EUROPE

MITTERRAND SAYS FRANCE MUST HAVE NUCLEAR WEAPONS

OWL80732 Beijing XINHUA in English 0636 GMT 18 May 84

[Text] Stockholm, 17 May (XINHUA)--French President Francois Mitterrand said here today France must have its own nuclear weapons and expressed doubts about the feasibility of a Nordic nuclear-free zone and a nuclear-free corridor in Central Europe.

He told a news conference that France's possession of nuclear weapons is to make those countries with intentions of attacking France think of the losses they would suffer. He stressed that unless France has its own nuclear weapons, it would lose its independence. However, the French nuclear arsenal is small as compared with that of the superpowers, so disarmament should start with the superpowers, he said.

Referring to the question of nuclear-free zones, the president said a nuclear-free corridor in Central Europe is too narrow to be of any significance. He added that establishment of a Nordic nuclear-free zone is also not realistic considering that only two out of the five countries in the region have responded positively.

Mitterrand held two rounds of talks yesterday and today with Swedish Prime Minister Olof Palme on issues covering nuclear disarmament, East-West relations, economy and employment in Europe.

French Industry Minister Laurent Fabius and his Swedish counterpart Thage G. Peterson signed two agreements on space cooperation between the two countries today.

Mitterrand and his party are scheduled to wind up their visit tomorrow.

CSO: 4000/369

WESTERN EUROPE

MITTERRAND CALLS FOR CLOSER EUROPEAN UNITY

OW251115 Beijing XINHUA in English 1101 GMT 25 May 84

[Text] Paris, 24 May (XINHUA)--French President Francois Mitterrand today called for signing a new treaty to strengthen the European Union, proposing that preparatory talks be held by countries concerned.

In view of the differences within the European Economic Community over some issues, the current president of the European Council proposed establishment of an Europe at "two speeds" (of development) so as to strengthen European unity.

According to the proposal, some EEC member countries that have closer links with the common cause of the community will have to participate in certain projects while others will not.

For the preparatory talks, the French president said they may be carried out on the basis of the draft bill on "European union" adopted by the European Parliament on March 31 and the "solemn declaration" issued in June last year after an EEC summit in Stuttgart, Federal Germany.

Referring to the difficulties confronting the community, he stressed the need for the "common defense" of the community.

On requests from Spain and Portugal for admission into the EEC, he said he hopes a "positive response" will be given by the end of September and full EEC membership will be given to the two countries by January 1, 1986.

He also said that the row within the EEC over Britain's budget contributions has not been solved. The president refused once again to accept Britain's request for a "fair rebate."

CSO: 4000/369

WESTERN EUROPE

BRIEFS

UK EXPELS SOVIET DIPLOMAT--London, 22 May (XINHUA)--The first secretary of the Soviet Embassy here, Arkady Gouk, has been expelled from Britain. A Foreign Office statement made public here today said that the Soviet charge d'affaires was told on May 14 that Arkady Gouk had to leave the country by yesterday. Gouk, who has already left Britain, was named in the trial of British MI5 officer Michael Bettany as a KGB officer a few weeks ago. It was reported today that John Burnett, first secretary of the British Embassy in Moscow, was ordered yesterday to leave the Soviet Union within seven days. Burnett is said responsible for embassy security and also gave evidence at the inquest on British banker Dennis Skinner who plunged to his death in Moscow last year. The Soviet expulsion order was issued during British Trade Minister Paul Channon's official visit to Moscow. It is believed to mark "a deterioration in the relations" between the two countries. Britain expelled six Soviet citizens in 1983. [Text] [OW222044 Beijing XINHUA in English 2006 GMT 22 May 84]

FINNISH COMMUNIST PARTY CONGRESS--Helsinki, 27 May (XINHUA)--The 20th Congress of the Finnish Communist Party closed here today, electing former General Secretary Arvo Aalto chairman of the party Central Committee, the party's Helsinki district organizer Helja Tammissalo vice-chairman and the construction union leader Aarno Aitamurto general secretary. The congress opened on May 25 with 347 delegates from 17 areas of the country participating. Former party chairman Jouko Kajanoja delivered a work report to the congress. The newly elected party Central Committee adopted a political resolution on world developments and domestic problems and some other documents. Delegations from some foreign communist parties on invitation took part in the congress. The congress took place at a time when the differences between the majority and minority in the party are getting wider. As none from the minority was elected to the central leading organization, this faction demanded the convocation of a special party congress to solve the differences. However, the newly elected chairman, Aalto, dismissed the minority action. [Text] [OW281146 Beijing XINHUA in English 1109 GMT 28 May 84]

CPC OFFICIAL TO ITALY--Beijing, 8 May (XINHUA)--Zhu Liang, deputy head of the international liaison department of the Chinese Communist Party Central Committee, left here this evening for Italy to attend the 43d National Congress of the Italian Socialist Party as a representative of the Chinese Communist Party. [Text] [OW082341 Beijing XINHUA in English 1448 GMT 8 May 84]

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BELGIUM EXPELLING SOVIET SPIES--Brussels, 21 May (XINHUA)--Belgium announced today that it is expelling two Soviet agents accused of attempting to obtain "highly classified documents of the Atlantic Alliance." A communique issued by the Belgian Justice Ministry said that the two men had been handed over by Belgian security police to the government for immediate deportation. The ministry refused to elaborate on the identities or positions of the two Soviets, who a spokesman said would be sent home later today. It confirmed that the two alleged spies are "agents of the Soviet intelligence services."
[Text] [OW220833 Beijing XINHUA in English 0636 GMT 22 May 84]

CSO: 4000/369

NATIONAL AFFAIRS

HUANG HUA PRAISES LATE PROFESSOR WANG SENRAN

HK011241 Beijing GUANGMING RIBAO in Chinese 18 Apr 84 p 4

[Article by Huang Hua [7806 5478]: "Wang Senran, a Professor Who Dedicated His Life to the Revolutionary Cause of the Chinese People"]

[Text] Some younger people are not familiar with the name of Professor Wang Senran. He is accustomed to working unobtrusively without attracting public attention. He has dedicated his life to doing useful things for the people, such as conducting propaganda, writing, and taking part in revolutionary activities, and he seldom talks about himself. He has worked hard for many decades, and deserves to be called an outstanding revolutionary educator, writer, historian, and artist. He engaged in revolutionary activities at an early age, advocated progress, propagated science, and brought up large numbers of qualified people. His writings cover a wide range of subjects, and he has devoted himself to bringing forth new ideas. As with the above-mentioned achievements of Mr Wang Senran, there is another thing which merits our respect, and that is the great deal of work he has done in promoting ideological and cultural exchange between China and foreign countries.

Mr Wang Senran was one of the earliest of the outstanding intellectuals in China to accept and disseminate democratic and progressive ideas. As far back as the 4 May period, he followed such people as Li Dazhao, Chen Duxiu, Lu Xun, and Deng Zhongxia in fervently propagating democratic and scientific truths. As far back as the 1920's, he pointed out in his writings that Lenin, the leader of the Soviet revolution, was "the world's greatest revolutionary personage in the first half of the 20th century," and that the Soviet Revolution would have a great impact on present as well as future human society. The history of half a century has borne out that his appraisal of Lenin could indeed withstand the test of history.

Like many of the pioneers of the 4 May period, while disseminating progressive ideas, Mr Wang Senran at the same time also devoted a great deal of energy to the introduction of progressive foreign literature, and helped to push forward the new literary movement. In 1927, when he was editor of the literature and art supplement of SHIJIE RIBAO, he wrote on a great number of special topics introducing and appraising the writers of the French, American, and Russian revolutionary periods, and advocated progressive and realistic literature useful to society.

As a progressive intellectual, a unique characteristic of Mr Wang Senran is that he has always followed with the greatest interest the liberation struggles of other oppressed countries and peoples. He warmly praised the spirit of the Indian people in their revolutionary struggle for national independence, and introduced in minute detail the Indian independence movement of that time. At the same time, he used profound analytical and incisive language to point out the fatal weakness of the policy of nonresistance, or passive noncooperation, in its guiding ideology, and said that the carrying out of a policy of active resistance was the only way out. At the suggestion of Mr Cai Yuanpei, Mr Wang Senran also completed his monumental "General Outline of Women's Movements of the World." In this work, he systematically introduced the history as well as the existing state of affairs of women's movements in various countries of the world, recorded the lives of nearly 100 pioneers and heroines of women's movements in various parts of the world, and also carried out an extremely meaningful study of the form as well as the future of the women's movement. Even more valuable was the fact that the writer devoted considerable space to introducing the circumstances of women's emancipation in the Soviet Union, the first socialist country in the world. His description of and inquiry into the women's movement in China were filled with deep concern for the working women of China, as well as his bitter hatred for the feudal system and feudal ethics.

The unremitting propagation of progressive foreign ideas and introduction of progressive foreign culture, as well as changes in foreign lands, carried out by Mr Wang Senran throughout his life have displayed the lofty ideological realm and breadth of vision of a Chinese scholar and progressive intellectual. Moreover, many of his works introduced abroad have been appraised highly. Many foreign specialists engaged in the study of modern Chinese history, who either continue to use his viewpoint or extract a great deal of material from his works, have called him a "living fossil" of modern Chinese history. The "General Index of Chinese Cultural Figures" compiled by Japanese scholars carried a detailed introduction of Mr Wang Senran.

Since the 3d Plenary Session of the 11th CPC Central Committee, Mr Wang Senran, despite his age, has enthusiastically worked for the cause of promoting friendly contacts between Chinese and foreign peoples. Some of his Chinese paintings, presented as gifts by the state to foreign heads of state, diplomatic envoys, and friendly personages, have become symbols of friendship. Former Japanese Prime Minister Masayoshi Ohira called his "Picture of a Basket of Litchis" a bridge of friendship between China and Japan. When the union of Chinese artists presented his "Picture of Peaches" to Leonard Woodcock, the first U.S. Ambassador to China, Mr Woodcock emotionally said: "What I am taking back with me will be the fruits of friendship from the Chinese people to the American people." When President Alessandro Pertini of Italy received Mr Wang Senran's "Picture of Longevity," he wrote a warm and sincere letter paying high tribute to Mr Wang Senran's revolutionary life, his art, and his work of promoting friendship. Your magnificent work has been handed to me on my 87th birthday by the Chinese Ambassador in Rome, and it took a long time for my joy and excitement to subside.

"The "Picture of Longevity" is not only the work of a great artist, but it is also the work of an old fighter who has dedicated his life from an early age to the struggle for the motherland, truth, and justice. A man who struggles for the Motherland, truth, and justice will always remain young.

"Your work is also a paean to youth. It has made me extremely elated and inspired, added vigor to my old age, and brought me great happiness. No doubt, this will be of benefit to my Motherland."

In his long and unremitting work, Mr Wang Senran has won honor for the motherland and the people, and promoted friendship between the peoples of the world.

Just as I finished this article, I received the sad news of the death of Professor Wang Senran. I will simply use this article to express my profound sorrow at the loss of this famous educator, writer, historian, and artist.

CSO: 4005/578

NATIONAL AFFAIRS

MARXIST CONCEPT OF 'INTELLECTUAL PROLETARIAT'

HK040428 Beijing GUANGMING RIBAO in Chinese 16 Apr 84 p 3

[Article by He Shanchang [0149 0810 2490] and Li Weixing [2621 6898 2502]:
"The 'Intellectual Proletariat' Is a Scientific Idea of Marxism"]

[Text] In a report made at the commemoration meeting of the 100th anniversary of the death of Marx, Comrade Hu Yaobang reiterated the scientific idea of the "intellectual proletariat," which had been proposed by this founder of Marxism long ago, but had been neglected by people. This has vigorously pushed forward and deepened the people's cognition of the idea that the intellectuals are a part of the working class. However, up to now, some comrades have not paid full attention to this and have a vague understanding as far as the question of the nature of the intellectuals is concerned. Currently, the clarification of the scientific idea of "intellectual proletariat" is essential to the recognition of our country's intellectual force as a force of intellectual workers and to the further implementation of the party's policy on intellectuals.

In accordance with the Marxist viewpoint, intellectuals are a historical category. In primitive society, there were no intellectuals, as there was no distinction between mental and physical labor. The emergence of intellectuals was a result of a distinction between mental and physical labor after the productive force developed to a certain historical stage. This was a great historical step forward for society.

In the slave and feudal societies, there were only a limited number of intellectuals due to economic and social restrictions. Despite the existence of the social differences between mental and physical labor at that time, the functions of both mental and physical were directly performed by producers during production. During that period in history, the intellectuals emerged mainly in line with the need for social management and domination, thus, generally speaking, the intellectuals were a part of the exploiting class. In the capitalist society, in the wake of the large-scale development of social production and the rapid improvement of science and technology and culture, there was a sharp increase in the number of intellectuals. The reason for this was that the major difference between capitalist macroproduction and the past handicraft production lay in the application of science in technology in the entire course of production, instead of the direct

technique of the laborers. Modern macroproduction, symbolized by the use of machinery, not only required that the producers have an appropriate knowledge in science and technology and a considerable cultural level, but also required a group of scientific research workers, engineers, and technicians and production management personnel of enterprises who were engaged in mental labor. Thus, apart from capitalist intellectuals who were capitalists themselves or agents of the capitalists who made their living by gaining profits, a large number of mental laborers employed by the capitalists emerged in the course of direct production. This was a significant new phenomenon in the development of the division of mental and physical labor in the capitalist stage, which changed the social composition of the intellectuals in the capitalist society. Generally speaking, the intellectuals were no more a united clique composed of dominating groups, as they had been in the initial stage of the class society. They gradually grew into a social class in which the members belonged to various classes and were engaged in mental labor. The majority of the members belonged to the proletariat, the minority belonged to the bourgeoisie, and a considerable number of professionals belonged to the petite bourgeoisie.

Marx and Engels referred to the majority of the intellectuals in a capitalist society as "wage laborers," ("Selected Works of Marx and Engels," vol 1, p 253) and said that the idea of the "intellectual proletariat" was a result of a scientific analysis of the nature of the intellectuals strictly in accordance with the economic situation. They held that in the course of capitalist production, those mental laborers, including scientific research workers, engineers, and technicians and management personnel who did not directly utilize machines, were an indispensable "organ" of the entire production system and were also members of the "general workers." Marx held that since the transition of the process of labor from a process of labor of the individual to the process of socialized labor, the direct product of the individual producers changed to social products and the common products of the general workers, that is, all laborers. Thus, every general worker would directly or indirectly work toward the goal of labor. ("Collected Works of Marx and Engels," vol 23, p 556) They participated in the process of production in various forms; some were mainly engaged in manual labor while some in mental labor. Some were engaged in management work, engineering work, and handicraft work, some performed supervisory work and some were engaged in direct manual labor or very simple unskilled work. As a result, functions which required a higher degree of labor ability were included in the conceptive production labor and the performers of such labor were included in the concept of production laborers. That is, in the course of capitalist material production, in spite of the division of work between the mental laborers and physical laborers and their independence at work in the various essential links of production, the labor that they performed was inseparable, in view of the overall situation of production. They all shared the work of production, and they all spent their time on the production of products, making up the value of the products. Thus, they should all be regarded as production laborers. Marx also said: "Capitalist production is not only the production of commodities, but is in fact the production of the surplus value," thus it is insufficient to produce products and it is also necessary to produce surplus value for the capitalists. "This

makes people become real production workers." ("Collected Works of Marx and Engels," vol 23, p 556) The capitalist form of production separates all kinds of labor which are characterized by mental labor and physical labor, and various kinds of work are assigned to different people, thus creating two kinds of laborers in the realm of material production. However, "this division does not hinder in the least: The relationship between each of these people and the capital is a relationship of wage laborers, and a relationship of production and workers as far as this specified definition is concerned. All these people are not only engaged in the production of material wealth,... but they also directly create surplus value for the capitalists." ("Collected Works of Marx and Engels," vol 26 (i), p 444) Thus, in the concept of the "general workers," there are two major components of the proletariat, there are proletarians engaged in physical labor and proletarians engaged in mental labor, which means the intellectual proletariat.

Although some comrades recognize the majority of the intellectuals as part of the working class, it is only confined to those working in the areas of material production, and the intellectuals working in the nonmaterial production areas are ruled out. This is a one-sided view. Marx held that the situation of the intellectuals working in the nonmaterial production areas and in the material production areas is similar. He pointed out: "In a school, the teachers are solely employed laborers in the eyes of the principal of the school. There are numerous such education factories in the United Kingdom. Although these teachers are not production workers in the eyes of the students, they are production workers in the eyes of their employers. The employers use their capital in exchange for the labor capacity of the teachers, and they become rich by means of this process. The bosses of cinemas, public places of entertainment, and so on also become rich by this method. In such places, the actors are artists in the eyes of the audience but they are only production workers in the eyes of the enterprisers." ("Collected Works of Marx and Engels", vol 26 (i), p 443) Viewed in this way, Marx did not draw a line between the proletariat and the nonproletariat only in accordance with the areas of material production and nonmaterial production, but centering on the core of the capitalist production relationship, that is, the relationship between capital and labor.

Obviously, as long as we recognize and uphold Marx's theory on production labor and the theory on surplus value, the distinction between mental and physical labor will never become an obstacle to us in correctly analyzing the class relationship when being confronted with the various complicated phenomena of capitalist social and economic structure. The status of the intellectuals as part of the proletariat can be illustrated by means of the idea of "intellectual proletariat." This reflects the characteristic that they possess the common quality of the proletariat, and on the other hand, shows their special nature which differs from people engaged in simple physical labor. Therefore, this is a profound concept of basic Marxist ideology regarding intellectuals.

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NATIONAL AFFAIRS

XINJIANG OFFICIAL CARES FOR INTELLECTUALS

HK040858 Beijing GUANGMING RIBAO in Chinese 18 Apr 84 p 1

["Newsletter" by reporters Liang Heng [4731 5899] and Miao Jiasheng [5379 1367 3932]: "Seeking Talent, Knowing Talent, and Using Talent--A Portrait of Liu Bingzheng, Secretary of the Shihezi City CPC Committee"]

[Excerpt] Shihezi--a beautiful oasis at the edge of the Junggar basin--has become a treasure bowl in the western region of the motherland through the painstaking efforts of land reclamation fighters for 30 or so years. Nearly one-half of the beets produced in Xinjiang and one-fifth of its cotton, grapes, watermelons, muskmelons, which are piled up as high as mountains, and its packed knitting wool, woolens, wool fabrics, sugar,...which are ready to be transported, are all gathered in Shihezi. More importantly, thousands upon thousands of people with great ability and high aspirations flock here and it is precisely these people who are the creators of this wealth. However, while singing the praises of these pioneers, first, we cannot but mention a man with a great love for talent who has, over the years, laboriously carried out the work of bringing talented people here to work.

On the third day of the first month of the lunar year in 1983, streets of Shihezi were bustling with activity. Then a sedan moved through the crowded, busy streets toward a seed cultivation center, which was located in a suburb west of the city. Quiet prevailed over the city outskirts which were covered with snow. In the car sat Liu Bingzheng, secretary of the CPC committee of the production and construction corps' eighth division in charge of agriculture and concurrently secretary of the Shihezi City CPC Committee. Leaning against a seat, he was deep in meditation. A few days ago he had received a letter from an agronomist at the seed cultivation center, loudly appealing to the secretary of the city CPC committee that importance should be attached to soybean production, and asserting that the 12 amino acids which the human body cannot synthesize are derived from soybeans and that efforts should be made to improve the food which lacks protein by using soybeans. However, this letter did not win proper support at that time.

The visit by the secretary of the city CPC committee created a considerable stir in his small family.

This was not the first time that Comrade Liu Bingzheng had taken care of intellectuals. In 1957, when he was deputy political commissar of the eighth division in charge of agriculture, the anti-rightist struggle had just begun. Together with Political Commissar Yu Zhengdong and other comrades, he energetically protected intellectuals, and as a consequence, not one intellectual in the organizations and institutions of the whole division was labelled as a rightist during the political storm. On the contrary, many comrades coming from Beijing and Shanghai who were wrongly labelled as rightists were well protected here. Poet Ai Qing, who came to Shihezi with the personal recommendation of Comrade Wang Zhen, lived here all along for 15 years. The Shihezi reclamation area, once a longstanding barren beach area in the Gobi Desert, has not been built into an oasis. This has contributed to the fact that here there is assembled a large number of intellectuals who have great ability. Of the 560,000 people in the whole reclamation area, 11,000 are intellectuals, of which 6,000 are scientific and technical personnel. As the secretary of the CPC committee of the eighth division in charge of agriculture and the secretary of the Shihezi City CPC Committee, Comrade Liu Bingzheng as often as not would blame himself with all sincerity so that no intellectual felt wronged in their work and life.

Liu Bingzheng frequently said: "In knowing a person, the important thing is to know his heart. The general mental state of intellectuals is to work to their hearts' content." He attended to so many trifling matters in an overly sentimental manner with a view to helping them settle down to work in the border areas so that they could speedily make more achievements. He frequently spent his holidays visiting the homes of intellectuals and discussing problems with the intellectuals, in addition to asking about their health and living conditions. As he was fond of reading novels and writing poems, the moment he entered the home of an intellectual, he would first search the bookshelves for books to read. He is on intimate ideological and professional terms with these intellectuals.

Of the at least 10,000 intellectuals in Shihezi, quite a few comrades were wrongly labelled as rightists and "banished" to this area, and some were thrown here as burdens because of their bad class origin. Although they have different backgrounds, they have a common ground, namely, they are knowledgeable. In the eyes of Liu Bingzheng, these intellectuals are the precious assets for the development and construction of the border areas. At a meeting he raised a cry of warning: "The key to the implementation of the party policy toward intellectuals lies in thoroughly eliminating the 'leftist' influence. These 'leftist' things are not only some ossified concepts but also active social forces. It will, therefore, take a lot of doing to eliminate them thoroughly." This veteran fighter, who once led a company to defend Yanan and a land reclamation division to open up a beach area in the Gobi Desert, has again come out boldly in the forefront to battle against the force of habit.

Selecting and promoting to leadership positions in the forefront those comrades who are in the prime of life and knowledgeable is the main content of the reform of cadre work. Regarding this, some comrades, in particular veteran comrades who have done administrative work for many years, have lagged behind in their understanding. Moreover, of these comrades many

are Liu Bingzheng's old colleagues or former subordinates. Encountering this case, Lao Liu would always adhere to principle and urge them time and again with good intentions to straighten things out in their minds regarding this question. After an intellectual who had been wrongly labelled as a rightist was promoted to a higher position, a cadre in the leading body of the unit where the intellectual worked failed to support him in his work in a satisfactory way. To counter this situation, Liu Bingzheng resolutely transferred the leading comrades and also simply promoted the intellectual to a leadership position.

What we have written here is not the case of an individual, because Liu Bingzheng in fact represents a large number of people. As we all know, in our endeavors to march toward the four modernizations and in our large contingent of builders for developing the northwest, there are already a group of best specialists, scholars, and scientific and technical personnel and a number of unknown leaders who willingly serve the former as rear service personnel. As for this group of respected comrades and their typical representatives, we can do nothing about "hiding their names in the face of hard facts."

CSO: 4005/578

NATIONAL AFFAIRS

GUANGMING RIBAO DISCUSSES HUMANISM, LITERATURE

HK080801 Beijing GUANGMING RIBAO in Chinese 26 Apr 84 p 3

[Text] Socialist humanism is an important moral criterion in adjusting the relationships between man and society and between man and man in a socialist society. As a product of a certain social relationship, it has gradually been formed on the basis of the proletarian moral standards, with the addition of the active elements of past moral customs in a critical way. Socialism has shaken off the system of private ownership, in which man exploits man and man oppresses man. Its aim in production is to fully satisfy the ever-increasing needs of the working people in terms of material and culture, and in this historical process, promote the all-round and rich development of man. This is the profound internal link between socialism and humanism. This link has not been attained in any other previous social form. It is precisely this completely new society that needs and creates an entirely new moral standard--socialist humanism which is characteristic of its collectivism, the principle of benefiting others, a sincere concept of labor, active enthusiasm in life, a positive attitude toward life, and a close cooperative relationship between man and man. Actively promoting this moral standard, which upholds and promotes the existing social relationship, so that our society can develop in a more harmonious way is the unshirkable task and mission of all forms of education and propaganda, including literature.

In recent years, many writers, conscious of their obligation to publicize socialist humanism, have successively created a considerable amount of works with humanism as the theme. This conscious spirit of exploration is quite precious, and should be affirmed. As a matter of fact, in our literary works, there are not a small number of rather successful works that reflect socialist humanism. For example, regarding literary creation in these 2 years, there are quite a number of works meriting our attention, let alone such well-known works, as Zhan Rong's "When One Approaches Middle Age," Zong Pu's "The Story of Li Tongzhong, the Criminal." For example, some writers, when describing the economic independence of people, which is brought about by social reforms, also promote the awakening of man's dignity and self-respect; some narrate the lofty pursuit of providing help for the less developed and of embarking on the road of common affluence in the process of becoming rich through hard work in the countryside; some praise the selfless and undaunted spirit of the ordinary people in saving persons from peril during a crisis; some portray the relay of the moral torch of serving the people heart and

soul between the old and the new when transferring duties; and so on. All these works have truly and vividly reflected from different angles and aspects the flashes of socialist humanism in our daily life.

It should not be denied that in works reflecting humanism, there are some works with faulty portrayals. We hold that the ideology of some writers in their creative work deviates from the right path to a certain degree, which cannot be ignored in seeking the cause of their faulty portrayal. Generally speaking, the defects of the works are centered on two key problems.

First, failure to correctly understand the relationship between socialist humanism and class struggle often leads to severance or opposition of the two. It cannot be denied that socialist humanism, as a moral criterion, also contains certain factors of the characteristics of all people, but the class nature of the proletariat occupies a predominant position in it. The ruling ideology in any society must be the ideology of the ruling class; this is true of morality, which serves as a special form of expression of a certain kind of ideology. In the socialist period, various forms of class struggle still exist to a certain extent. It is natural for socialist humanism to wage resolute struggles against the morality of "consumption" and the morality of the individualism of the bourgeoisie and other exploiting classes, and to fight resolutely against the opposing forces which harm the cause of socialism and communism. The proletarian class never attributes the roots of evil to human nature, thereby avoiding the struggle against the opponents themselves, but regards these opponents as persons who reflect certain social relations and social forces, and while dealing them resolute blows, gives education, transformation, and redemption to those who are not the principal evil-doers. But some writers portray the serious political struggle between the two major classes as personal grievances and conflicts and call it a misunderstanding of history; some works indiscriminately exclude and oppose all forms of class struggle; and some works intentionally neglect the class factor, and are bent on the portrayal of transforming the opponents through the so-called "human nature" and "human feelings." Humanism here can hardly be called socialist humanism because the objectively existing political trends and class color have been blurred.

Second, failure to correctly handle the relationships between the individual and the collective and between the individual and society often lead to talking of personal freedom and personal happiness without reference to such requisite conditions as social entity and social obligation. It should be noted that under the conditions of socialism, the fundamental conflicts and contradictions between the objective of personal life and the objective of social production, between personal interests and social interests, between the objective value of man's activities and his subjective concept of value, and between social morality and personal morality, have been basically overcome. Our society provides unprecedented conditions and possibilities for people to master their own destiny. However, for various objective and subjective reasons, different problems and contradictions may arise in some fields of people's activities. When there are contradictions between the individual and the collective or between the individual and the society, on the one hand,

we should take note of the personal demands and the development of character; on the other hand, we should stress the necessity of the individual subordinating himself to the collective and to the society. This is because the collective and the society represent the interests of the majority of people, and are the premise and condition for personal growth and the development of character. Only when a person regards himself as a member of the collective and the society which consist of a variety of colorful social relationships, and regards the cause of the people and the society as one's own cause, can he acquire the means for developing himself as well as acquire a certain personal freedom. When the [words indistinct] contradictions between personal subjective wishes and the integral objective reality, and between the needs for personal enjoyment and the [word indistinct] possible supply of the society, on the one hand, we should respect the normal needs of the individual in life and his ideals in life; on the other hand, we should emphasize that personal will and wishes should conform as much as possible to objective reality, that personal enjoyment should be established on the basis of one's own contributions, and that one should not only be the consumer of the material and spiritual products, but should also be the creator of man's material and spiritual wealth. However, our individual writers do not interpret problems in this way. Either they exaggerate certain passive phenomena in society, contrast them with the normal life of the individual, and portray a kind of competition in life which is tinged with the message of "being forced to do something desperate"; or they do not distinguish between the scum of society, such as Lin Biao and Jiang Qing, and, society as a whole, and give prominence to the "sceptics" or "nihilists" who do not shoulder any social responsibility when describing life in the chaotic period, thereby showing a sentiment which is blindly antagonistic to society. Here is reflected the problem of the one-sided understanding of some writers on social contradiction, and people can also detect, more or less, that some writers possess a certain pessimistic attitude of not daring or being unwilling to tackle social problems.

There are many causes leading to the occurrence of the above problems. The themes in life portrayed in some works are very sensitive and complicated, such as the struggle between the KMT and the CPC in the past, the third KMT-CPC cooperation proposed by our party at the present time, and the 10 years of turmoil in which humans and demons were confused. Furthermore, the writers of these works have endeavored to integrate these themes into the set rules of humanism, which is hard to handle appropriately, plus the incorrect theories and concepts exhibited during the creation of the works, and all of these inevitably lead to mistakes in their works.

The question of morality is present in all the activities of man. We used to interpret morality within such boundaries as love and marriage, respecting the old and caring for the young, and healing the wounded and rescuing the dying, which in a way affected the variety of themes and the profound portrayal of topics in reflecting morality in our literary works. In the works which reflected important issues and portrayed a new generation of society, still less efforts were exerted in reflecting morality. Our humanism is guided by the communist world outlook and is based on the practice of socialism, which serves as a common moral standard and is reflected in various relationships between man and society and between man and man. For society, it is a

social trend which advances simultaneously with social development, and for the individual, it is a moral culture and sentiment which is in line with one's words and deeds. It is precisely this important point which links socialist humanism to socialist literature. We should cast off all kinds of worries, enter the field of morality in our writings with perfect assurance, and truthfully and vividly reveal people's ethical life and moral features in socialist China. In our creative work, emphasis may be laid on describing ethics and morality as the main theme, or the content of morality may be added to other topics, including some important topics; the morality of common people may be described, or the moral pursuits of heroic figures may be portrayed. In this way, the scope of creation is broadened, but, at the same time, the extent of difficulty in creative writings may be increased, which can provide our literary and cultural workers with a vast field for using their talents.

As a special product of a certain social history, morality is by no means static. While truthfully reflecting the general social morality already existing or being exhibited, our writers and artists should be sensitive to grasping the seeds of the new morality which signals a new kind of social relationship during the reform of the society, through such a vigorous form of propaganda, socialist humanism will be promoted to develop along a higher, more perfect, and more ideal direction, thus playing the mobile role of literature and art in the historical course of nurturing socialist, new persons generation after generation.

The task of actively publicizing socialist humanism in literary and art creations demands more of the writers and artists. In order to make an accurate evaluation of the social life in terms of morality, there must be a criterion which is accurate and of high standards. This requires that the writers and artists should become familiar with the Marxist materialism and moral theory, and be able to use it to observe and analyze in a creative way the life with which they are familiar. At the same time, the moral life of the writers and artists themselves must be healthy, and their moral sentiments must be sound. Only in this way can their viewpoints on morality be in keeping with the requirements of the times and be transformed into the flesh and blood of their works, expressing these viewpoints correctly and coherently in their works.

In the course of fulfilling the historical task of publicizing socialist humanism, literary creation should and is certain to achieve fruitful results, both in nurturing a new generation for the socialist cause, and in training and enhancing the literary and art workers themselves.

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NATIONAL AFFAIRS

GUANGMING RIBAO IN CLASS STRUGGLE IN SOCIALISM

HK021524 Beijing GUANGMING RIBAO in Chinese 16 Apr 84 p 3

["Lecture on Basic Principles of Scientific Socialism" by the compilation group of the Office for the Teaching and Research of Scientific Socialism Under the CPC Central Party School: "Class Struggle During the Socialist Period"]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, in the course of summing up historical experiences and exploring the law governing the development of socialism, our party has also gradually deepened its understanding of class struggle during the socialist period and has drawn a scientific conclusion in accordance with the actual situation of our country at the present stage. This is pointed out in the "Resolution of Certain Questions in the History of Our Party Since the Founding of the PRC": "Class struggle no longer constitutes the principal contradiction after the exploiters have been eliminated as classes. However, owing to certain domestic factors and influences from abroad, class struggle will continue to exist within certain limited for a long time to come and may even grow acute under certain conditions. It is necessary to oppose both the view that the scope of class struggle must be enlarged and the view that it has died out." All inferences in this conclusion are inseparable entireties closely relating to one another.

The exploiters have been eliminated as classes. This is a fundamental and undoubted fact in China after the basic completion of the socialist transformation of the private ownership of the means of production. However, there are still various contradictions among workers, peasants, and intellectuals, and between workers and peasants, between workers and peasants on one side and intellectuals on the other, between the government and the masses, between the central and local authorities, between localities and departments, between the state, the collective, and the individual, and between various nationalities. They are contradictions based on the unanimity of fundamental interests and are not antagonistic contradictions between classes.

The elimination of exploiters as classes does not mean that class struggle has died out. In our country, class struggle will continue to exist within certain limits for a long time to come. At present, hostile elements of different shades are still attempting to undermine and overthrow our socialist

system in the economic, political, ideological, and cultural fields and in community life. This cannot be avoided within a short period of time. Except for the fact that the pernicious influences left over by the exploitative systems and classes cannot be eradicated within a short time in various fields, another reason for the long-term existence of class struggle in China after entering into the socialist stage is that we have not yet achieved our goal of reunifying our motherland and still live in a complicated international environment in which the capitalist forces and other forces hostile to our socialist cause will seek to corrupt us and harm our country. Our economy and culture are still quite backward and our young socialist system is imperfect in many ways, so that it is not yet possible to prevent in all cases the degeneration of some members of our society and party or block the emergence of a few exploiting and hostile elements. Therefore, we must prepare ourselves mentally for a long-term struggle, see to it that the state of the people's democratic dictatorship exercises its function of dictatorship over enemies, and uphold the Marxist class viewpoint in handling the current social contradictions and other social phenomena that have the nature of class struggle.

In order to correctly carry out class struggle during the socialist period, we must have correct policies. The brilliant exposition made by Comrade Mao Zedong in 1957 on correctly understanding and handling the contradictions among the people affords us a theoretical basis for formulating correct policies. The report at the 12th CPC National Congress further enriched and developed this exposition of Comrade Mao Zedong. 1. It not only reaffirmed that there are many contradictions among the people, but also that most of these contradictions do not have the nature of class struggle and must be solved in a correct way by means or methods other than class struggle. Even in solving problems having the nature of class struggle, it is also necessary to use the weapon of law and deal with them in accordance with law. 2. Since class struggle still exists within certain limits, it is unavoidable that there is reflection of this struggle among the people. Thus, it is necessary to carefully distinguish between class struggle and the reflection of class struggle among the people, which are two kinds of contradictions of different nature. As to the reflection and influence of class struggle among the people, it is also necessary to take them seriously, and carry out education and give guidance, or even carry out necessary struggles against them, including giving them severe punishment according to law. However, this is different in nature from the dictatorship over the enemy. 3. During the socialist period, the two types of contradictions must be solved around the general target of building a modern and powerful socialist country and along the path of building all-round socialist modernization. If we depart from this general target and fundamental path, we will be unable to correctly solve the contradictions in our socialist society and the problem of class struggle.

Unlike the class struggles in history, the class struggle during the socialist period is a special type of class struggle. That method of struggle which is characterized by large-scale and violent mass movement is no longer necessary in carrying out this struggle and in cracking down on the sabotage of the hostile elements. Instead, we must follow the principles of the socialist legal system, make full use of the weapon of law, and act in strict

accordance with state laws. Although this struggle may grow acute under certain conditions, judging from the general trend of history, the number of the remnants of the exploiting classes is dwindling and their strength weakening. Class struggle will gradually subside. We must take socialist economic construction as the center and, at the same time, promote socialist construction in the ideological, cultural, and political fields, so as to realize socialist modernization in all fields and create conditions for eliminating classes and class struggle and realizing the communist system.

CSO: 4005/578

SOUTHWEST REGION

XIZANG: 33D ANNIVERSARY OF AGREEMENT ON XIZANG'S LIBERATION

HK240737 Lhasa Xizang Regional Service in Mandarin 1130 GMT 22 May 84

[Text] On the afternoon of the 22d, the Xizang Regional CPPCC Committee invited noted personages from various quarters to a forum held to mark the 33d anniversary of the signing of the Agreement on Measures for the Peaceful Liberation of Xizang. More than 160 persons, including the leading comrades of the autonomous region and Lhasa, the Zang compatriots who have returned to the motherland to visit their relatives, advanced personages on various fronts, and responsible comrades of the Central Executive Group [as heard] and the provinces and cities taking part in helping Xizang with its construction, attended the forum. The forum was chaired by Jinzhong Jianzan Pingcuo, vice chairman of the autonomous regional CPPCC committee. At the forum on behalf of the attendants, Lamin Suolang Lunzhu, vice chairman of the standing committee of the autonomous regional CPPCC committee, extended warm greetings to Comrades Li Weihan, Ngapoi Ngawang Jigme, and Lhawu Dara Tubdain Daintar--the surviving representatives who signed the agreement on behalf of the Central People's Government and the Xizang local government, respectively.

He said: At a time when we commemorate the 33d anniversary of the peaceful liberation of Xizang, we miss the Dalai Lama and the Zang compatriots abroad very much. We always maintain that all patriots belong to one big family, whether they rally to the common cause early or late and that they are free to leave and return. They are welcome to return to build their homeland, to reunite with their families, to run joint ventures, to establish enterprises under sole proprietorship, and to build hospitals, cinemas, and other social welfare undertakings.

After that, (Jipu Dunguo Pingcuo), deputy secretary general of the autonomous regional CPPCC committee, read aloud from the script of the speech by Lhawu Dara Tubdain Daintar, member of the National CPPCC Committee and vice chairman of the Xizang Autonomous Regional CPPCC. Lhawu Dara Tubdain Daintar was one of the representatives who took part in the peace negotiations and signed the agreement.

It was pointed out in the speech: Since the peaceful liberation of Xizang, the Central People's Government has abided by the 17 articles of the agreement, practiced regional autonomy of minority nationalities, and let the people of all nationalities freely exercise their right to be the masters of their own

affairs, thus bringing about profound political, economic, and cultural changes in Xizang. With the implementation of the central authorities' instructions concerning the handling of Xizang affairs, the party's policy toward nationalities and religion has been further implemented and people's livelihood gradually improved. I am pleased with all this.

At the forum, the autonomous regional song and dance troupe, the Zang Opera Troupe, and the cultural troupe of the military district staged an excellent show.

CSO: 4005/612

SOUTHWEST REGION

XIZANG: 'PHANTOM OF LEFTISM' SAID STILL AROUND

HK310257 Lhasa Xizang Regional Service in Mandarin 1130 GMT 30 May 84

[Text] The phantom of leftism is still hovering around. This was stated by responsible comrades of Lhasa City when recently studying the new situation. They said: It is impossible to attain the target of doubling average incomes of Xizang peasants and herdsmen in 3 to 5 years unless leftism influences are eliminated.

Responsible comrades of the city CPC committee, people's government, and people's congress standing committee held: Since studying and implementing the spirit of the forum on work in Xizang and the second enlarged plenary session of the third regional CPC committee, the minds of the cadres and masses in the city have been further emancipated, economic work has been further strengthened, and the urban and rural economy has been markedly enlivened.

However, a few comrades have not profoundly appreciated the spirit of these meetings. They lack sufficient understanding on the special policies being implemented by the central authorities for Xizang, and are filled with misgivings. Certain leaders dare not grasp or tackle economic work. They dare not relax the policies, for fear of deviating from the correct path and making mistakes. In particular, certain grassroots cadres in the rural and pastoral areas are jealous of those masses who have just become rich, and find fault with them in petty ways. Some are still thinking of making the transition in a state of poverty, and some are even imposing unjustified fees and charges on people in a bid to grab part of the dividends.

The responsible comrades of Lhasa City said: Although these are only individual expressions, they reflect a kind of ideology and show that the influence of leftism has not yet been completely eliminated and the phantom of leftism is still haunting the mind of certain comrades. To solve this problem, it is essential to seriously readjust the leadership groups and do a good job in ideological and political work for party members and cadres.

The responsible comrades of the city decided: In order to overcome these leftist influences, in the future the leaders at all levels must take a firm and clear-cut stand in supporting a number of peasant households and urban residents who take the lead in getting rich ahead of others. It is necessary

to commend and reward them in a big way. Attention must also be paid to recruiting party and CYL members from among them.

They said: Those households who take the lead in getting rich are advanced representatives of socialist modernization. At the time of the democratic reform, we relied on the poor and hired peasants. Now that we are carrying out socialist construction, we must rely all the more on these people with breadth of vision. At an appropriate time in the future, the city CPC committee will convene a meeting of advanced representatives of rich households, to let them exchange experiences and lead forward still more people to follow the path of riches.

The responsible comrades of Lhasa City also stressed: In publicizing and implementing the spirit of the forum on work in Xizang and the second enlarged plenary session of the third regional CPC committee, it is essential to pay attention to developing various production opportunities in light of local conditions and bring about all-round development, rather than just focusing on the building and transport trades. We must strive to increase output of materials and achieve coordinated development of production, transport, and sales.

CSO: 4005/612

SOUTHWEST REGION

XIZANG: DISCIPLINE DRIVE AGAINST MALPRACTICES ORDERED

HK310317 Lhasa Xizang Regional Service in Mandarin 1130 GMT 30 May 84

[Excerpt] The regional discipline inspection committee recently demanded that discipline inspection committees at all levels get a vigorous grasp of extremely irresponsible bureaucratism and of malpractices in using powers for private purposes. They must make use of typical materials to expose the great losses and harm caused to the people by bureaucratism, together with its corrosive effect on the cadres. They must also strictly investigate and deal with a number of typical cases in which bureaucratism has caused the people and state to suffer great losses.

The committee demanded that while cracking down on malpractices, the discipline inspection committees at all levels study and implement in depth the spirit of the forum on work in Xizang, further eliminate erroneous leftist ideological influence, and sum up positive and negative experiences. They must adopt various measures to find out how units have conveyed and implemented the spirit of the forum on work in Xizang and also the actual state of mind of the party members and cadres, and make prompt reports and submit suggestions on the situation to the party committees and the local discipline inspection committees. Thus the spirit of the forum on work in Xizang can be implemented smoothly.

The discipline inspection committees at all levels must actively take part in party rectification and work together with the party rectification offices in grasping the situation in this work and finding out the progress of weeding out [qingli] people of three categories. They should help the party committees to seriously deal with violations of discipline in party rectification, to ensure that the work will not be done in a superficial way.

CSO: 4005/612

SOUTHWEST REGION

XIZANG PLA CIRCULAR ON OBSERVING CHILDREN'S DAY

HK180848 Lhasa Xizang Regional Service in Mandarin 1130 GMT 17 May 84

[Text] The Xizang military district issued a circular on 14 May to all PLA units in the region, calling on them to carry out propaganda activities of protecting the legitimate rights and interests of women and children on 1 June, children's day.

The circular demanded all PLA units make full use of the propaganda drive to publicize the notions that only the socialist system can truly protect the legitimate rights and interests of women and children, that protecting the legitimate rights and interests of women and children will be of great significance to the building of socialist material and spiritual civilization, and to publicize the relevant provisions of the PRC Constitution concerning protection of the legitimate rights and interests of women and children, and that safeguarding the legitimate rights and interests of women and children is the duty of all society. They should organize the female comrades of their units to study the laws and decrees and lead them in conscientiously defending their rights endowed by law and courageously fight against all acts that maltreat, forsake, injure, and discriminate against women and children.

In the propaganda drive, all units should pay visits to and comfort the women residing in Xizang, should be concerned with their well-being, and should help them solve practical problems.

During the children's day, special film shows should be sponsored for women and children. Where conditions permit, the units concerned can send gifts to children, particularly to single sons and daughters.

The regional military district has decided to send two 20-inch televisions sets, respectively, to the Lhasa 1 August School under the Xizang Military District and to the Chengdu 1 August School under the Xizang office stationed in Sichuan.

The circular also called on all primary schools to organize commemorative activities. Where conditions permit, the schools can put on performances for the PLA leading organs, various units, and inhabitants.

CSO: 4005/612

SOUTHWEST REGION

TEA PARTY FOR ZANG COMPATRIOTS RETURNING HOME

HK250245 Lhasa Xizang Regional Service in Mandarin 1130 GMT 23 May 84

[Excerpts] On the afternoon of 23 May, the regional committee for receiving compatriots of the Zang nationality who return home or pay visits invited 90 compatriots of the Zang nationality in Lhasa who have returned home to settle down or for the purpose of visits, to mark the 33th anniversary of the signing of the agreement on the peaceful liberation of Xizang.

Yongxi, vice chairman of the regional committee for receiving; and Lamin Suolang Lungzhu and Jinzhong Jianzan Pingcuo, vice chairmen of the regional CPPCC committee, attended the tea party, which was presided over by Zheng Ying, vice chairman of the regional committee for receiving.

Xuekang Tudengnima, vice chairman of the regional people's congress standing committee, spoke at the tea party. He first expressed welcome to all compatriots of the Zang nationality who attended the tea party and who have returned home to settle down or for the purpose of visits. Xuekang Tudengnima said: The signing of the agreement on the peaceful liberation of Xizang brought about a brilliant and happy future to our people of the Zang nationality and has created favorable conditions for the prosperity and development of our region. Over the past 33 years, people of all nationalities in our region have made great achievements on the road of building a new Xizang and this is obvious to all. In the past, the CPC Central Committee formulated a series of wise and correct policies. Not long ago, the CPC Central Committee also formulated correct policies which conform to our region's actual situation. The core of these policies is to promote economic work as soon as possible and to make people of all nationalities in Xizang rich. I believe that as long as people of all nationalities in our region will unite and struggle hard under party leadership, this target will surely be attained.

(Danjie), representative of compatriots who have returned home to settle down, sincerely spoke at the tea party, saying: I feel very glad to attend such a tea party as this. I have returned home to settle down for 4 years now. During this period, I have seen the development and changes in all aspects in Xizang. These changes have proved that the agreement on peaceful liberation of Xizang was correct. These changes have made me believe that the future of Xizang will become even better. I have resolved to devote myself to the fine future of Xizang.

CSO: 4005/612

NORTHWEST REGION

QINGHAI'S ZHAO HAIFENG AT FORUM ON PREFECTURES

HK300156 Xining Qinghai Provincial Service in Mandarin 1100 GMT 27 May 84

[Excerpts] From 7 to 15 May, the provincial CPC committee held a forum on work in Yushu and Golog. The forum stressed the discussion of the guiding ideology to create a new situation in work in the two autonomous prefectures, the special policies to speed up the economy and social development in the two autonomous prefectures, and the flexible measures to be taken.

Attending the forum were responsible comrades of leadership organs of the party and government in the two autonomous prefectures, secretaries of all their subordinate county CPC committees, and responsible comrades of the provincial CPC committee and provincial-level departments concerned. Leading comrades, including Zhao Haifeng, Huang Jingbo, Ma Wanli, and Zhaxi Wangxu, delivered speeches on special topics.

The comrades present at the forum first analyzed the present situation of the two autonomous prefectures, Yushu and Golog. They held: When the two autonomous prefectures carry out economic construction and other work, they must proceed from their local characteristics, further emancipate their mind, relax policies, boldly carry out reform, and endeavor to develop commodity production so that the masses can get rich as soon as possible. We must work hard to build the two autonomous prefectures into new united, rich, and civilized pastoral areas. In guiding ideology, we must pay attention to grasping some key problems and continue to eliminate the leftist remnants. We must firmly establish the viewpoint that the development of the economy is the foundation for solving all problems. The basic starting point of the implementation of all policies is to enable the people of Zang nationality to get rich as soon as possible. We must concentrate our energy to promote economic construction. We must strive to develop production and to enliven the economy. It is necessary to strengthen the development of intellectual resources, vigorously develop nationality education, and speed up training talented persons of their own nationality in all fields.

The forum studied and formulated some special policies and flexible measures to be implemented in the two autonomous prefectures, Yushu and Golog. These are mainly that it is essential to concentrate financial and material resources to speed up the building of communications and energy resources, reconstruct

the roads in the counties under the administration of the autonomous prefectural governments by 1990 or slightly longer, and improve road surface quality and the passing space. Simply constructed roads must be built in the great majority of townships under the administration of the autonomous prefectural governments. The gross installed capacity of the small hydroelectric power stations, small thermal power stations, wind power stations, and solar energy power stations must reach 20,000 to 25,000 kilowatts so that all county seats and villages, towns, and township seats where the population is more concentrated can have electricity supply. Some herdsmen can use their supply of wind energy and solar energy in their livelihood.

In the next 5 years, no quotas for grain cultivation and procurement must be assigned to the two autonomous prefectures. It is necessary to open the grain market all year. Regarding the quotas for the assigned procurement of livestock products, including rabbits, leather, and furs, on the basis of the quotas actually fulfilled in 1983, the base of quotas for assigned procurement must be readjusted and reduced. After the fulfillment of the quotas for assigned procurement, the surplus livestock products can be sold to the state at negotiated prices or sold at will. Capital construction carried out with private capital can be done without observing the limitation of the provincial capital construction scale. Tenders for the contracts for design and building of capital construction projects can be publicly invited from inside and outside the province.

In financial subsidies, it is necessary to continue to use the method of a 10 percent annual increase. Other special funds appropriate must suitably increase. The development funds for underdeveloped areas must be mainly used to support the two autonomous prefectures, Yushu and Golong. All funds which the state appropriates to the two autonomous prefectures can be arranged and spent on their own.

In keeping open the circulation channels, we must change the wholesale business of the county commercial department into a wholesale business at the county and township levels. We must allow collectives and individuals to have a free hand in commercial transactions below the county level. In grassroots shops, we can implement the principle of ownership by the state, operation by the collective, and sole responsibility for profits and losses. They can be changed into a collective-run commerce. Collectives and individuals inside and outside the province must be encouraged to go to pastoral areas to contract for construction and for production of building materials and to engage in proper commerce, peddling, processing of nonstaple food, and other service work. Activities such as doing business voluntarily and engaging in the work of serving the masses' production and livelihood are allowed. Whether or not individual industrial and commercial undertakings below that county level are required to pay industrial and commercial taxes is left to all the counties to decide themselves. In two counties, including [name indistinct] and Baima, we must continue to implement the policy on rehabilitation and must not assign the quotas for cultivation and breeding in the next 5 years. There will not be assigned procurement of agricultural and livestock products produced by them. No agricultural and livestock taxes will be imposed. No accumulation funds will be retained. The subsidies for basic-level cadres

who are not divorced from production, and for teachers of schools run by the local people, will be defrayed from the state revenue. The households enjoying the five guarantees will be subsidized through social relief funds. Peasants and herdsmen will enjoy free medical treatment.

In the development of cultural and education work, every county must set up a key nationality middle school and two to three boarding primary schools. Every autonomous prefecture must set up a nationality teachers' training school, public health school, and school of animal husbandry. Children of peasants and herdsmen who go to school will enjoy free board, clothing, and lodging, and will pay no school fees. The provincial college of animal husbandry and veterinary science, medical college, teachers training university, nationality college, and Huangyuan School of Animal Husbandry must set up courses for Yushu and Golog to train for them technical personnel in specific fields. A small number of minority nationality graduates of senior middle schools and secondary vocational schools, who are of good character and scholarship, can be recommended for direct admission to universities and colleges for further studies. In addition, the learned masses and religious personnel are allowed to run schools by themselves.

The forum especially emphasized that the two autonomous prefectures must really do a good job in united front work, nationality work, and religious work, unite the people of the Zang nationality and patriotic personages of all strata, and mobilize all positive factors to promote socialist modernization in the two autonomous prefectures.

CSO: 4005/614

NORTHWEST REGION

SHAANXI HOLDS PEOPLE'S CONGRESS SESSION

HK160236 Xian SHAANXI RIBAO in Chinese 6 May 84 p 1

[Report: "Second Session of the Sixth Provincial People's Congress Holds Second Meeting To Listen to Five Officials' Reports"]

[Text] Yesterday morning, the second session of the sixth provincial people's congress held its second meeting to listen to provincial Vice Governor Zhang Bin's report on the implementation of the 1983 provincial economic and social development plan and on the proposals for the 1984 plan, financial department chief Ge Tao's report on the 1983 provincial final financial account and the 1984 financial budget, provincial people's congress standing committee Vice Chairman Li Lianbi's report on the work of the provincial people's congress standing committee, and the work reports delivered by Jiao Langting, president of the provincial higher people's court, and by Ge Xia, chief procurator of the provincial people's procuratorate.

Executive chairmen of yesterday's meeting were Zhang Ze, Cai Changyuan, Zhang Tiemin, Zhang Shucheng, Zhang Weiyue, Zhao Hanlin, Huo Shiren, Zhang Yongfu, Zhang Xiling, Chang Wuzu, Zhou Shuhua, Chen Shenghua, Xue Zhaojian (female), Huang Ying (female), Zhang Fengying (female), and Tao Xinyong. All provincial CPPCC commission members also attended the meeting as observers.

In his report, Vice Chairman Li Lianbi reviewed the major jobs done by the sixth provincial people's congress standing committee: holding seven standing committee meetings according to schedule to discuss 21 important subjects and to approve and promulgate the "Rules for Election of Deputies to County and Township People's Congresses in Shaanxi Province" and the "Stipulations on the Payment of Litigation Fees in Civil Proceedings (for Trial Implementation)"; listening to and deliberating 12 work reports delivered by the provincial people's government and relevant departments and adopting 9 resolutions and decisions; participating in the discussion on 9 draft laws of the state, including the patent law and the statistics law; appointing and removing 239 functionaries of state organs in light of the 4 requirements for the ranks of cadres; giving guidance to the election of county and township people's congresses; seriously handling 153 motions raised by people's deputies; holding special meetings to study the way to improve the work of city and county

people's congress standing committee; organizing receptions for visiting foreign guests; and setting up the legal system committee, the financial and economic affairs committee, and the educational, scientific, cultural, and public health affairs committee under the provincial people's congress standing committee.

In conclusion, Li Lianbi said: In the past year, the standing committee of the sixth provincial people's congress has done some jobs and has made certain achievements, but it has not met all the requirements prescribed by law, and the thinking, work, and organization of the standing committee have not met the needs of the developing situation. For example, the work of enacting local laws has yet to be strengthened; more effective measures should be taken to examine and check illegal events; a sound system should be set up to ensure close contacts between the standing committee and people's deputies; and more thorough investigations and studies should be made by going deep to grassroots units. The standing committee will improve its work and make progress in resolving the above issues.

From yesterday afternoon to this morning, the deputies held group discussions on the above five reports.

CSO: 4005/614

NORTHWEST REGION

QINGHAI: MEETING ON PARTY RECTIFICATION, CURRENT WORK

HK300733 Xining Qinghai Provincial Service in Mandarin 1100 GMT 29 May 84

[Text] According to QINGHAI RIBAO, on 24 May, the responsible comrades concerned of the provincial CPC committee and the provincial people's government held and chaired a meeting of the responsible comrades of the provincial propaganda, cultural, educational, science and technology, and public health departments to study and make arrangements for the work at present.

In his speech, the leading comrades of the provincial CPC committee who is in charge of this work pointed out the need to pay close attention to the following three things:

1. It is necessary to pay close attention to party rectification. At present, it is necessary to properly and comprehensively carry out comparison and examination. This is the key to ensuring that party rectification will not be perfunctorily carried out. In comparing and examining, the leading bodies and individual leaders should set high standards and be strict in studying themselves.
2. It is necessary to pay close attention to the work at present and to spur on our work and the reforms with party rectification. It is necessary to conscientiously serve the party's general task and general goal with our work, to subordinate our work to the party's general task and general goal, to combine our work with the development of Qinghai, and to strive to create a new situation.
3. It is necessary to pay special attention to implementing the party's policy toward intellectuals. The propaganda, cultural, educational, science and technology, and public health departments are the ones with the most intellectuals. They bear the heavy task of implementing the policy toward intellectuals. The work in this area is of great significance.

It was pointed out at the meeting, in order to successfully do our work at present as well as in the future, all units should first proceed from creating a new situation in our work, have a clear idea of what should be attended to within this year, and formulate practical measures. It is necessary to decide on the things to be reformed and to work out the measures for carrying out the reforms. It is necessary to pay special attention to building the

leading bodies after the restructuring of the organs. Existing problems should be speedily solved. Organs and establishments which cannot cope with their work should be restructured accordingly. The grades of the graded cadres who cannot meet requirements or who cannot adapt themselves to their work should be readjusted.

The meeting stressed the need for all units to enthusiastically implement the above three things. The provincial authorities will carry out unified examination by the end of this year. Those who satisfactorily discharge their duties will be commended. In the event of dereliction of duty, they will find out who is to blame for it. Merits will be clearly distinguished from demerits.

CSO: 4005/614

NORTHWEST REGION

QINGHAI: RADIO ON NEED TO CONTINUE INTELLECTUALS POLICIES

HK300334 Xining Qinghai Provincial Service in Mandarin 1100 GMT 26 May 84

[Station commentary: "Continue Implementing Policies on Intellectuals"]

[Text] During the 10 years of internal disorder, intellectuals bore the brunt and suffered a lot. After the 3d Plenary Session of the 11th CPC Central Committee, the party Central Committee clearly pointed out that intellectuals of our country were a part of the working class, as a measure to put things straight. This made intellectuals become masters of the country, like the workers and peasants, and aroused their initiative in working hard for the socialist motherland.

However, some people now still have prejudice against intellectuals. This hinders proper implementation of policies on intellectuals. Now, when the problem of implementing policies on intellectuals is mentioned, some people like to say: We have redressed wrongs suffered by those who were unjustly, falsely, and wrongly charged among intellectuals. Those who are qualified to be promoted among intellectuals have already been selected for leading groups. And there are no problems with regard to the implementation of policies on intellectuals. This is a one-sided view. In our opinion, in implementing policies on intellectuals, we should not rest content with our efforts to have redressed wrongs suffered by those who were unjustly, falsely, and wrongly charged among intellectuals and we should not be satisfied with our efforts to have some intellectuals promoted into leading groups. We must realize that we still have a lot to do in our work of implementing policies on intellectuals. We must particularly show the best of concern and care for intellectuals and make proper use of them, so that most of them will be able to work in a cheerful frame of mind. This calls for our leaders at all levels to afford intellectuals effective and timely help, to know that they think, to support their work, and to do their best to smooth out problems with which they are beset. Party members are in a minority among intellectuals and most nonparty intellectuals engage in vocational work. Leaders at various levels should not relax their efforts to work on nonparty intellectuals, they should respect their views and bring their strong points into full play.

Qinghai does not have sufficient intellectuals and is short of qualified personnel. This being the case, we must pay particular attention to intellectuals. We believe that with further implementation of policies on intellectuals, intellectuals in our province will certainly work harder and make their contributions to the four modernizations in Qinghai under the leadership of the CPC.

CSO: 4005/614

CALL FOR 'SELF HELP' IN WAKE OF UK DEBATE

HK180145 Hong Kong SOUTH CHINA MORNING POST in English 18 May 84 pp 1, 16

[Reprot by Frank Choi and Matthew Leung: "'Self Help Is the Key to Future'"]

[Text] Hong Kong people should take the 1997 issue into their own hands rather than seek help from the British Parliament, community leaders urged yesterday in the wake of the Commons debate.

It showed Hong Kong people "a cold, hard fact"--that the British Government would sacrifice Hong Kong's interests for better trade links with China, they added.

And many local spokesmen challenged former British Prime Minister, Mr Edward Heath's statement that UMELCO [Unofficial Members of the Executive and Legislative Councils] did not represent Hong Kong people's views.

They argued that UMELCO, although not an elected body, had expressed the gut feeling of the majority of the local population.

These feelings were expressed yesterday by concerned groups on the 1997 issue, including pressure groups and community leaders, reacting to the parliamentary debate on the future.

A spokesman for the Hong Kong Observers, Mr Joseph Yu, said the "debate" was not a debate because MPS from both parties were speaking unanimously and supported Britain's strategy in the negotiations.

He said that although all were optimistic about the future of Hong Kong, they failed to support their claim.

Their speeches aimed only to protect British interests and they hinted that Hong Kong had to work out its own future rather than depend on Britain.

Mr Yu said that they could sense the rejection of the MPS during the Hong Kong debate.

Whenever there was a conflict of interest, British interest was paramount.

He added that Britain would even sacrifice Hong Kong's interest if the territory stood in the path of trading ties between Britain and China.

Mr Yu said the debate had lifted the mask of the British Government and had exposed the ugly side of its plot against Hong Kong.

"Hong Kong people should wake up now because our future is in our hands and nobody is going to help us," he said.

Mr Yu said the criticism on the representation of UMELCO was unfair and was quoted out of context from the UMELCO manifesto.

He said the UMELCO members may not represent Hong Kong but they had the right to speak out as citizens.

As for China, Mr Yu felt that it had taken a pragmatic attitude towards the UMELCO mission without making any harsh criticism.

"It shows that China is getting a more in-depth understanding of the Hong Kong situation and is sympathetic to our fears.

"The mild reaction from China showed that they had learned from previous events, such as the Lobo motion.

The vice-chairman of Meeting Point, Mr Yeung Sum, said local people should give up their high hopes that Britain would help solve the 1977 problem.

"Hong Kong people should rely on themselves," he said.

Commenting on the parliamentary debate, he said the Hong Kong Government should respond positively to the MPS' calls for democracy in Hong Kong.

"The Hong Kong Government should let more young people take part in future administration so when Britain departs in 1997, local people can run the government with a high degree of autonomy."

Mr Yeung said democracy was the only way out for the future of Hong Kong.

He also asked residents not to be too pessimistic on the future.

On the UMELCO proposals, Mr Yeung said the MPS did not positively support them during the debate.

But he said the UMELCO package did express the anxieties of some local people.

Although he supported the UMELCO trip, he said their proposals were unrealistic.

The chief editor of the NINETIES magazine, Mr Lee Yee, said the debate showed British MPS were unanimous about Sino-British relations and they should get priority over the Hong Kong peoples' will on the territory's future.

He said it was clear the UMELCO mission to solicit MPS' support had been a failure.

Despite this, it had some positive meaning.

Mr Lee said the missions showed the UMELCO members' courage to fight for the interests of the people of Hong Kong.

"It also showed that the people of Hong Kong should have no illusions about Britain and that they should depend on themselves and fight for their own interests."

He said the UMELCO mission had triggered off enthusiastic discussions on the 1997 issue among organisations and individuals and this would help achieve better terms for the people of Hong Kong in the Sino-British negotiations.

A Shatin District Board member and the chairman of the Shatin Rural Committee, Mr Wai Hong-leung, said he was not disappointed at the outcome of the debate and did not regard the UMELCO mission as a failure.

Mr Wai said the debate was a lesson to the people of Hong Kong as to how smoothly Britain could get out of taking any responsibility for the future of Hong Kong.

The debate seemed to rule out all the proposals in the UMELCO manifesto, especially the one on Hong Kong people wishing to leave the territory in 1997.

"In fact, the UMELCO mission did achieve one thing--it exposed Britain's intention to abandon a moral obligation to Hong Kong and showed the ugly side of the picture which was that the British Government was always ready to sacrifice Hong Kong for its own national interests."

Mr Wai said that although UMELCO was not an elected body and could not claim to represent all Hong Kong people, it had expressed the gut feeling of the general public on the 1997 issue, which many would not have dared to voice in the past.

"They spoke out on the things which were in the minds of the majority of the public and this was the reason why there was a consolidation of support for their mission.

"If UMELCO did not have representation, how come the British Government consulted them in the past on Hong Kong matters?" he asked.

A vice-chairman of the Heung Yee Kuk [Rural Consultative Council], Mr Liu Ching-leung, said he was sorry that the UMELCO delegation met with a cold response in London.

Although UMELCO members were not elected, the views they presented did reflect the anxieties of the local population, he said.

A spokesman for the Hong Kong and Macao Diocese of the Anglican Church, Mrs Alice Chong, said the debate showed many MPS had the misunderstanding that there was a very large number of Hong Kong citizens who wanted to migrate to other countries.

"We think this is not the true picture," she said.

Mrs Chong said the debate had made Hong Kong people realise they could not rely solely on others to fight for their future.

Hong Kong people should also make their own effort, she said.

CSO: 4000/363

BRIEFS

UMELCO DELEGATION BEIJING TRIP--London, 17 May--The UMELCO [Unofficial Members of the Executive and Legislative Councils] delegation visiting London served notice tonight that its next mission could be a trip to Peking. Its leader, Sir Sze-yuen Chung, told reporters the next task facing delegation members when they arrived back home would be to discuss "the feasibility and other factors" of a trip to China. But there is a strongly-held view that UMELCO has now damaged its chances. The Chinese Government is known to be highly-critical of UMELCO's manifesto. Most Unofficials are flying back to Hong Kong this weekend, but four are staying on in London for the Lords debate on Monday. They are Sir Sze-yuen, Mrs Selina Chow, Mr Chan Ying-lun and Mr Cheung Yan-lung. An Executive Councillor, Mr Michael Sandberg, and a Legislative Councillor, Mr Bill Brown, are expected in London this weekend on a visit timed to coincide with the Lords debate. [Text] [Report by Jill Hartley: "Now UMELCO Looks to Peking"] [HK180115 Hong Kong SOUTH CHINA MORNING POST in English 18 May 84 p 1]

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END